

**THE COMPANIES ACT, 1956**

**COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

**OF**

**MALU PAPER MILLS LIMITED**

- I. The name of the Company is MALU PAPER MILLS LIMITED.
- II. The registered office of the Company will be situated in the State of Maharashtra.
- III. The objects for which the Company is established are :
  - a) THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE :
    1. To carry on the business of manufacturers, buyers, sellers, importers and exporters and dealers in all kinds of classes of paper, board, cardboard and pulp in all its branches, including mechanical or chemical pulp, rayon pulp, wood pulp, straw pulp , bamboo pulp, fibrous pulp of all descriptions and cellulose pulp and all other varieties whatsoever including without any limitation, writing paper, printing paper, absorbent without any limitation, writing paper, tissue paper, poster paper, cover paper, blotting paper, filter paper, manifold paper, antique paper ivory finish paper, coated paper, art paper, Bank or bond paper, badami brown or buff paper, bible paper, cartridge paper, clothlined paper, asure laid and wove paper, cream laid

and wove paper, grease proof paper, gummed paper, land made paper, parchment paper, drawing paper, Kraft paper, manilla paper, envelope paper, tracing paper, sack paper, crape paper, vellum paper, water –proof paper, carbon paper, sensitized paper, chemically treated paper, litmus paper, photographic paper, flossy paper, emery paper, carbonless paper, insulating paper, cigarette paper, past-board, card board, straw-board, pulp-board, leather board, mill board, corrugated board, duplex and triplex board, plywood board, post cards, visiting cards, playing cards, complimentary and fancy cards, advertisement boards, sign boards made of paper, board for similar materials, soda pulp , mechanical pulp, sulphite pulp, sulphate pulp, semi- chemical pulp

- 2 To carry activities in all kinds of articles in the manufacture of which in any form, paper, board or pulp is used and to manufacture, make and deal in all kinds of materials and substances that any be produced and/or recovered as bye-products during the process of production of pulp, paper, board and other materials manufactured, processed or dealt in.

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

3. To manufacture, synthesize, process, refine, manipulate, import , export and deal in oil-based derivatives of any nature and kind obtained by the physical and chemical conversion of any kind of oils and fats of vegetable, animal, marine or mineral origin or by compounding and formulating the oil-based derivatives with various other ingredients of any kind and nature.
4. To act as consultants and oil extractors and financiers for oil bearing plantation, technical advisers in farming, gardening , seeds-growing, scientific farming, gardening, intensive and extensive cultivation, large scale farming.
5. To acquire, build and let on hire godowns and warehouse, run warehouses for the storage, including cold storage of agricultural produce, seeds, manure, fertilizers, agricultural implements of any description required by

the company.

- 6 To carry on the business of buyers, sellers, importers, exporters and dealers in barley, maize, potatoes and other types of agricultural products and to manufacture malt and malt products and to act as malters, brewers and distillers.
7. To acquire and undertake the whole or any part of the business of any person carrying out any business which the Company is authorised to carry on.
8. To guarantee the performance of any contract or obligation any payment of money or dividend and interest on shares, debentures or bonds of any company, corporation, firm or persons in any case in which such guarantee may be considered directly or indirectly to fulfill the objects of the Company or in the interest of its shareholders at large.
9. To promote any company carrying similar objects for the purpose of acquiring all or any of the property rights and liabilities of the Companies or to acquire shares in other Companies.
10. To amalgamate with any other Company or body or persons having same objects or altogether different objects to those of these Companies.
11. To undertake financial and commercial obligations, transactions and operations of all kinds.
12. To set up, install, purchase, import or otherwise acquire plant and machinery and related equipment's and to import, purchase cultivate oilseeds and other products for production of vanaspati or vegetable oils.
13. To pay all costs, charges and expenses, preliminary and incidental to the incorporation formation, establishment and registration of the company.
14. To adopt such means of making known the business of the company as may seem expedient and in particular by advertising in the press, by circular, by publication of books and magazines and by granting prizes, rewards, donation and by establishing centers or laboratories for research and testing

15. To carry on business of manufacturing of and/or dealers in all other commodities akin to or connected with any of the businesses mentioned herein above.
16. To acquire and undertake the whole or any part of business of any person carrying on any business which the Company is authorised to carry on.
17. To enter into any arrangement with any government or any authorities or other wise that may seem conducive to the companies objects or any of them and to obtain from such Government or authorities, any rights, privileges and concessions which the Company may think it desirable to obtain and to carry out exercise and to comply with any such arrangements, rights, privileges and concessions.
18. To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading , warrants, debentures and other negotiable or transferable instruments.
19. To construct, execute, undertake, carry out , establish, acquire,, maintain, re-model, alter, develop, work, control, manage, take on lease, purchase or acquire any waterworks, electric generating stations, road, gas supply works, hospitals, restaurants, places of worships , amusement parks, gardens, libraries, pavilions, shops, garages, or other works which the company may think appropriate and useful in this behalf, to contribute or other wise assist or work in association with any other person in any other act for the purpose of construction, erection, demolition, removal, maintenance, improvement, administration, assessment, development, working, controlling or management there of.
20. To enter into collaboration or co-ordination with foreign companies, firm or persons on such terms and conditions including payment of royalty, as the directors may think fit.
21. To amalgamate, enter into partnership or into nay arrangements for sharing profits, union of interest, co-operation, joint ventures, or reciprocal concessions or for limiting competition with any person or Company carrying or engaged in, any business or transactions which the Company is

authorised to carry on in conjunction therewith.

22. To acquire by purchase, exchange or otherwise any real estate or interest including lease, whether in possession or reversion or whether vested or contingent lands, houses buildings, whether subject or not to any charges or encumbrances, and to hold or to sell, let, alienate, mortgage or charge such land tenements or premises for the purpose of the Company
23. To invest and deal with the monies of the Company not immediately required to any manner and particularly to accumulate funds or to acquire or take by subscription, purchase or otherwise howsoever or to hold shares or stocks in or the security of any Company, association or undertaking in India or abroad.
24. To borrow or raise money on loans or receive deposits for the purpose of the Company by promissory notes, bills of exchange, hundies and other negotiable and transferable instruments or by mortgage, charge, hypothecation or pledge or by debenture or by debenture stock, share perpetual or otherwise charges upon such terms as the directors may deem fit or in such other manner with or without security as may be deemed proper or to take money on deposit or to otherwise (merely for the purpose of financing the business of the the Company ) and to guarantee performance of contract, agreement by any such persons and including all deeds, writings and assurances for any of the aforesaid purposes or arrange bank guarantee for the customers with or without security on commission or otherwise , but not amounting to banking as defined in the banking Regulations Act, 1949, subject to provision of Sec. 58 A and directives of the Reserve Bank of India.
25. To open an account or accounts with any banks and to pay into and withdraw money from such account or accounts whether they be in credit or otherwise, to make, to accept , endorse, discount, negotiate and execute and to buy, sell bills of lading and other negotiable and transferable instruments.
26. To pay for any rights or property acquired by the Company and to remunerate any person or Company whether by cash payment by the

allotment of the shares, debentures or other securities of the Company credited as paid up in full or in party.

27. To receive money on deposit or loan and borrow or raise money in such manner as the Company shall think fit, by issue of debentures, Stock & shares and to secure the repayment of any money borrowed, raised on assets of the company both present and future including its uncalled capital and also similar mortgage charge or lien to secure and guarantee the performance by the Company or any other person or Company as the case may be.
28. To sell, lease, mortgage or otherwise dispose of the property assets or undertaking of the Company or any part thereof for such consideration as the Company may think fit, and in particular for shares, stock, debentures or other securities of any other Company whether or not having objects altogether or in part similar to those of the Company.
29. To subscribe or contribute or otherwise assist or to grant money to charitable, benevolent, scientific , national public or any other institutions objects or purposes or for any exhibition.
30. To create any depreciation fund, reserve fund, sinking fund or other special fund whether for depreciation or for preparing, improving extending or nominating any of the properties of the Company or for any other purpose conducive to the interests of the company.
31. To do the above things in any part of the world, and either as principals, agents, or otherwise either along or in conjunction with others and to do all such other things as are incidental or conducive to the attainment of the above objects or any of them.
32. To undertake such business or other activity as may be considered by it to be necessary or effective to achieve any of the aforesaid objects or be ancillary or complimentary thereto.
33. To sell or dispose of the undertakings or the company or any part thereof for such Consideration as the Company may think fit and in partiucular wholly or in part of shares.

c) **OTHER OBJECTS – NIL**

34. To do and be in Real Estate Business and for the purpose, buy, sell, take on lease, give on lease or on license, maintain, develop, demolish, alter, construct, build and turn to account any land or buildings owned or acquired or leased by the company or in which the company may be interested as owners, lessors, lessees, licensors, licensee, architects, builders, interior decorators, and designers, as vendors, contractors, property developers and Real Estate Owners and agents whether such land or building or the development thereof be for or in respect of residential or commercial purposes such as multistoried buildings, complexes, houses, flats, offices, shops, garaged, Cinemas, theatres, hotels, restaurants, motels or other structures of whatsoever description including prefabricated and precast houses, buildings and erections and to enter into contractors, sub-contractors and arrangements including the raising of finances from whatsoever sources and giving of loans and advances to give effect and implement the said subjects.
35. To manufacture, process, prepare, preserve can, refine, bottle, buy, sell and deal whether as wholesales, or retailers, or as exporters or importers or as principals or agents, in foods, meats, eggs, poultry, vegetables, canned or tinned and processed foods, protein, health and instant foods of all kinds including baby and dietetic foods, cereals, beverages, cordials, tonics, restoratives, and aerated minerals water and foods stuffs and consumable provisions of every description for human or animal consumption.
36. To carry on the business of tourist and travel agents, and transport agents and contractors and to arrange and operate tours and to facilitate travelling and provide for tourists and travellers, and of freights, and passage brokers and representatives of airlines, steamship lines, railways and other carriers whether in India or abroad.
37. To carry on all or any of the business of manufacturers and distributors of any dealers in cement, lime, plasters, whiting clay, gravel, sand,

minerals, earth, coke, fuel, artificial stone and other builders requisites including tiles, ceramics, bricks, sanitary wares and other conveniences of all descriptions as also the business of quarry and mine owners and quarry and mine working.

- 38 To carry on business as manufacturer, refiners, extractors, exporters, importers, buyers, sellers, merchants and dealers in all kinds, solvent extraction of Rice Bran, Soyabean, Oil Cakes And Other Vegetable Oil Seeds Including Cotton Seeds, Ground Nut, Soyabean, Ricebran, Oilcake, Neem, Sarson, Tara, Meers, Mahua, Rape Solvent Extracted Products Like Cotton Lints, Hulls, Husk, Vegetable Oils, Refined Oils, Semi Refined Oils, Crude Oils, Oil Cakes, De-Oiled Cakes And Hydrogenated Oils and to carry on the business of production, preparation, and manufacture of and dealers in vegetable oils of every type and description, whether hydrogenated or other wise.
- 39 To carry on the business of manufacturers of and dealers in containers, boxes, packings, packages, stiffeners for pockets, wrappings, wrappers, and receptacles of all kinds made from paper and boards, including cardboards and plywoods, plastic, plastic materials, metals, alloys , glass, veneers and other materials of all kinds, whether synthetic or not for trade and industries of every description.
- 40 To carry on the business of printers lithographers, stereotypes, electrotypes, photographic printers, art printers, photolithographers, chromolithographers, photographers type founders, engravers, embossers, designers, draughtsmen, die-sinkers, die-stampers, ink manufacturers, envelope manufacturers, machine rulers, numerical rulers, numerical printers, stationers, papermakers paper bags and cardboard manufacturers.
- 41 To carry on business of merchants, financiers, hire purchase and selling agents.
- 42 To carry on business as manufacturers, dealers, buyers, sellers, importers, exporters, refiners of and dealers in all kind and forms of chemicals and dyes including caustic soda, soda ash , chlorine, sulphuric acid, alum salt cake, calcium hydrochlorite, sodium hydro-sulphate, drugs, acids, alkalies,

pasting agents, solvent, essences, medical and chemicals and other preparations, natural and synthetic waxes, dyes, cosmetics, paints, pigments, oils, varnishes, resins and all products, bye-products, thereof and to manufacture process and deal in organic and inorganic pesticides and all or any other articles or things of a character similar or analogues to the foregoing or any of them or connected therewith and to carry on all any of the business of synthetic, compound's, analysts, chemicals distillers and refinery operators.

- 43 To carry on the business of manufacturers, producers processors, dealers, agents, importers, exporters, buyers and sellers of all kinds of yarns, fibres and fabrics, whether synthetic, artificial or natural or prepared or manufactured from nylon, polyster, acrylics, rayon, silk, linen, cotton, wool, jute and any other staple fibres of fibrous materials, textiles substances, allied products, by substitutes for all or any of them to treat and utilise any waste arising from any such manufacture, production or process and of converters of synthetic, artificial and natural fibres, including into materials, like cloth, tapes, ropes, yarns, twins, filters, and such other articles as may be conveniently produced or manufactured therewith.
- 44 To carry on the business of manufacturers, assemblers, sub-assemblers, distributors and dealers in electronic and electrical goods of every description including units such as computers, calculators, systems of communication control and monitoring radios, television, video sets, entertainment electronic and other appliances, apparatus, equipment and instruments and any components and spare parts thereof employing electronic and electrical technology in the manufacture of the same and to carry on the business of engineers, designers, installers, maintainers, repairers and services in the field of electronic and electrical technology.
- 45 To carryon the business in India and else where as mine-owners, manufacturers, representatives, importers and exporters of all kinds of minerals and ores, iron ores, manganese ore, soapstone, as may be permitted to be imported and exported by the laws prevailing in the Union

of India for above purpose.

- 46 To carry on the business in India or else where in the world, or providing services of every kind and of acting as secretaries, consultants , and advisers to and for the benefit of any individual firm, trust, association, society, company, corporation, government, organisation or institution and to render consultancy, advisory and other services to factories, industries, works, plants, mines, quarries, undertakings, shipping, industrial trading or commercial establishments and other units, concerns and undertakings in respect of matters, technical, operational, industrial know-how, project design and /or execution, engineering, scientific, market and other research feasibility studies, financial, management and sales and all other matters in any way connected or concerned with or relating thereto, to obtain purchases, sell and make available or provide technical assistance and know-how and information of all kinds, to invest or layout in or advance moneys to any industrial or commercial ventures, enterprises or establishments, for the aforesaid purposes, to produce capital, labour (including personnel ) land, building, plant machinery and equipment (including tool and accessories) and to undertake and to become bound by the terms and conditions of any agreement or arrangement for partnership or for sharing of profits or for other remuneration or consideration for all or any of the matters aforesaid.
- 47 To carry on all or any of the business of design engineers, erection and fabrication contractors, constructional engineers, soil testing and structural workshops, and any activity in connection with machinery and plant erection contract work.
- 48 To carry on the business of manufacturers, producers, refiners, smelters, makers, processors, importers, exporters and dealers in lead, zinc, copper brass, nickel and other ferrous and nonferrous metals.
- 49 To carry business as instrument company and acquire any such shares, stocks, debenture-stock, bonds, obligations, or securities, by original subscription tender, purchase, exchange, or otherwise and to guarantee the subscription thereof and to exercise and enforce all rights and powers

conferred by or incidental to the ownership thereof.

- 50 To carry on the business of manufacturers of, dealers, in and exporters and importers of pharmaceutical products, drugs and medical preparations (including allopathic, Homeopathic, Aurvedic, Bio-Chemic, Unani medicinal products) in different dosage forms Viz. Tablets, Liquids, Lotions, Orals, Capsules, Injections, Ointments, Lotions, Sprays, Drops and Dry Powders and any other system of medicines.
- 51 To manufacture, buy, sell, distribute, import, export, process and deal in both solid and latex rubber articles, including sealing rings, gaskets, toys, play balls, wires, pipes, sheets, fancy goods, household goods, rice rolls, railway accessories and industrial, pharmaceuticals, agricultural, water and oil supply, rubber articles made of natural rubber, synthetic rubber, their derivatives, and substitutes, latex, synthetic resins and plastic.
- 52 To construct, produce, prepare, manufacture, vulcanize, repair, retread, purchase, sell, import, export and generally to deal in all types of belts, tyres and semi tyres for any type of vehicle, agricultural and industrial tyres, aeroplane tyres, afloats, inner tubes and repair materials made with natural and synthetic rubber, their derivatives and substitutes, latex, synthetic resins and plastics.
- 53 To buy, sell, market, stock, retail, distribute, import, export or otherwise deal in products such as ferrous and non-ferrous metals, including all types of wires, rods, bars, alloys and their products, chemicals, toiletries, cosmetics, marbles and minerals, food, furniture, polishes, brushes, textiles, garments, carpets, entertainment devices, toys, electronic gadgets, electrical appliances, sanitary, hygiene products, cutlery, crockery, soaps, detergents, scissors, engineering goods, gas range and accessories, disinfectants, stoves, cleaning powders, art materials and sport goods, tea and coffee and other merchandise.
- 54 To carry on business as farmers, agriculturists and producers and growers of all kind of herbs, plants and trees and to plant, grow or cultivate all kinds of herbs, plants or trees whatsoever as may be required for the use of any products the Company, and generally to undertake and carry out all

- agricultural work for the purpose to own land forests, farms, and gardens and equip them with all materials.
- 55 To export, import, buy, sell and deal in all types of precious and semi-precious stones, diamonds, pearls, gems, jewellery.
- 56 To carry on the business of a water work company in all its branches and to drain rivers, sink wells and shaft and to make build and construct, lay down and maintain dams, water-works, cisterns, culverts, filter-beds, main and other acts and things necessary or convenient for obtaining selling, delivery, measuring and dealing in water.
- 57 To establish, maintain, manage and operate restaurants, refreshment rooms, buffets, cafeterias and carry on business of general provision merchants, licensed victuallery, wine and spirit merchants and tobacconists.
- 58 To carry on the business of timber merchants, saw mill proprietors and timber growers and to buy, sell, grow, prepare for market, manipulate, import and deal in timber and wood of all kinds and to manufacture and deal in articles off all kinds in the manufacture of which timber or wood is used and to cut, clear, plant and work timber estate.
- 59 To carry on the business of passengers and goods carriers by land, by sea and by air, the running of hotel for tourists and tourist agents.
- 60 To carry on the business of manufacturing, importing, exporting and dealing in cement, asbestos products and other building materials.
- 61 To make and enter into forward and speculative transactions and to accept and/or cut double or single option in jute, hession, cloth, gunny bags, wheat, linseed, cotton, share, securities, gold, silver, bullion or other goods, merchandise and commodities whatsoever.
- 62 To Carry on in India or elsewhere in the world all or any of the business or profession of medical, dental clinic, nursing homes or any other allied profession ad also to provide management and consulting facilities to start new undertakings, units or nursing home, or to purchase or otherwise set up and to run dispensaries, clinics, sanitorium, yoga centre, hospitals,

- dental clinics, nursing home, maternity homes, family planning centres, child welfare centres, blood banks or any other allied banks or pathological laboratories.
- 63 To run cinema or operas of auditoriums or hotels, motels, restaurants, cafeterias, snack-bars, night clubs and/or rest houses.
- 64 To carry on business as road and pavement makers and repairs and manufacturers of and dealers in lime, cement, mortar, concrete and building materials of all kinds and as builders and contractors for the execution of works building of all kinds.
- 65 To carry on business of undertaking fire protection, turn key jobs, installing hydrant lines, control panels, smoke detectors, automatic sprinklers, fire alarm systems for use in industries, ships oil jetties, oil platforms buildings and other places according to specific requirements of the customers.
- 66 To carry on business as bankers and manufacturers of and dealers in bread, flour, rava, maida, biscuits and sugar, gur, khandsari, chocolates, toffees and other allied products and cold storage of fruits, vegetables, fish, meat, agricultural products, milk and dairy products and other perishable items.
- 67 To carry on business of manufacturers and dealers in gas cylinders, equipment's, appliances and tanks with their parts and accessories used for containing and storage of liquids, airs,
- 68 To carry on business of manufacturers and dealers ion all kinds of surgical and hospital equipment's, scientific, electrical, chemical, photographic and other apparatus.
- 69 To carry on the business of storekeepers in all its branches and to buy, sell, manufacture and deal in goods stores, consumable articles, chattels and effects of all kinds both wholesale and retail.
- 70 To carry on the business of carpet making and all kinds of imitation leather and rubbers and also waterproof goods and articles manufactured there from including dress, preserves, dress linings, boot linings, umbrellas, parasols, flags, tents, picture frames, artificial flowers, and also

floor cloths, table cloths and American cloths.

**AND IT IS HEREBY DECLARED THAT :**

The objects incidental or ancillary to the attainment of the main objects of the Company as aforesaid shall also be incidental or ancillary to the attainment of the other objects of the Company herein mentioned.

IV. The liability of the members is limited.

I. The authorised share capital of the company is Rs. 200000000/- (Rs. Twenty Crores Only) Divided into 20000000 (Two Crore) Equity shares of Rs. 10/- each with rights, privileges and conditions attaching there to, as are provided by the Articles of Association of the Company for the time being with power to divide shares in the capital for the time being into several classes and to attach there to such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company and as may be determined by or in accordance with the Articles of Association of the Company and as may be permitted by the Companies Act, 1956 with power to increase or reduce.

We the persons whose Names and Addresses are hereunder subscribed are desirous of being formed into a company in pursuance of this memorandum of Association and we agree to take the number of shares in the capital of the Company set opposite our names.

	Name, address, description of occupation of each Subscriber	Number of Equity Share taken by each Subscriber	Signature Of Subscriber	Signature of Witness and his name, address, description and occupation
1	Punamchand Malu s/o.Ramlal Malu 1249, Neelkamal C.A.Road, Nagpur Occu. : Business	100 (One hundred shares of Rs. 10/- each fully paid up	Sd/-	Sd/- Ashok Ramani s/o Shri Kimatrai Ramani Chartered Accountants Abhankar Road, Sitabuildi. NAGPUR – 440 012.
2	Bhanwarlal Malu s/o. Madanlal Malu Kamla Sadan, Dharaskar Road, Gandhibag, NAGPUR Occu.: Business	100 (One hundred shares of Rs. 10/- each fully paid up	Sd/-	Witness to all
3	Damodarlal Malu S/o Ramlal Malu 1249, Neelkamal C.A.Road, Nagpur Occu. : Business	100 (One hundred shares of Rs. 10/- each fully paid up	Sd/-	
4	Banwarilal Malu s/o Bhanwarlal Malu Kamla Sadan, Dharaskar Road, Gandhibag, NAGPUR	100 (One hundred shares of Rs. 10/- each fully paid up	Sd/-	
5	Purushottam Malu s/o Ramlal Malu 1249, Neelkamal C.A.Road, Nagpur Occu. : Business	100 (One hundred shares of Rs. 10/- each fully paid up	Sd/-	
6	Vasudeo Malu s/o Bhanwarlal Malu Kamla Sadan, Dharaskar Road, Gandhibag, NAGPUR	100 (One hundred shares of Rs. 10/- each fully paid up	Sd/-	
7	Ghasiram Malu s/o Jhmarlal Malu 1249, Neelkamal C.A.Road, Nagpur Occu. : Business	100 (One hundred shares of Rs. 10/- each fully paid up	Sd/-	
	Total	700 Equity shares of Rs.10/- each fully paid up		

Dated 28<sup>th</sup> December 1993 at Nagpur

**UNDER THE COMPANIES ACT, 1956**

**A COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**Malu Paper Mills Limited**

**(Adopted by Special Resolution passed at the Annual General meeting of the Members of the Company held on 27th Aug, 2005)**

1. Save as reproduced herein the regulation contained in Table "A" in Schedule I to the Act Shall not apply to the Company. *Table A not to apply*

**INTERPRETATION**

<i>2 (1) In the interpretation of these Articles, unless repugnant to the subject or context :</i>	<i>Interpretation clause</i>
<i>"The Company" or "This Company" means "MALU PAPER MILLS LIMITED "</i>	<i>The Company or THIS Company</i>
<i>"The Act" means "The Companies Act 1956" or any statutory modification or re-enactment therefore for the time being in force.</i>	<i>The Act</i>
<i>"Annual General Meeting" means a general meeting of the Members held in accordance with the provisions of Section 166 of the Act or any adjourned meeting thereof.</i>	<i>Annual General Meeting</i>
<i>"Auditors" means and include those persons appointed as such for the time being by the Company or its Board,</i>	<i>Auditors</i>
<i>"Board" or "Board of Directors" or "the Board" means the Board of 'Board of Directors for the time being of the Company.</i>	<i>Board</i>
<i>"Board Meeting" means a meeting of the Directors or a committee thereof duly called and constituted, or as the case may be, the Directors assembled at the Meeting of the Board of Directors of the Company collectively.</i>	<i>Board Meeting</i>
<i>"Capital" means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.</i>	<i>Capital</i>
<i>"Debenture" includes debenture-stock.</i>	<i>Debenture</i>
<i>"Dividend" includes interim dividend.</i>	<i>Dividend</i>
<i>"Extraordinary General Meeting", means an extraordinary general meeting of the Members duly called and constituted and any adjourned General Meeting' meeting thereof.</i>	<i>Extraordinary General Meeting</i>
<i>"Member" means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of Association of the Company.</i>	<i>Member</i>
<i>"Meeting" or "General Meeting" means a meeting of members.</i>	<i>Meeting</i>
<i>"Month" means a calendar month.</i>	<i>Month</i>
<i>"Office" means the registered office for the time being of the Company.</i>	<i>Office</i>

A resolution shall be an ordinary resolution when at a general meeting of which the notice required under the Act has been duly given, the votes cast (whether on a show of hands, or on a poll as the case may be) in favour of the resolution (including the casting vote, if any, of the chairman) by members, who being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the resolution by members so entitled and voting.	<i>'Ordinary Resolution'</i>
"Paid-up" includes credited as paid-up.	<i>'Paid up'</i>
"Persons" includes corporations and firms as well as individuals.	<i>'Persons'</i>
"Postal Ballot" shall mean voting by post through ballot papers distributed amongst eligible voters and shall include voting by electronic mode.	<i>'Postal Ballot'</i>
"Register of Members" means the Register of Members to be kept pursuant to the Act.	<i>'Register of Member'</i>
"Registrar" means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.	<i>'Registrars'</i>
"Secretary" means any individual possessing the qualification prescribed for the time being by or under the Act or any rules made thereunder and appointed to perform the duties, which may be performed by Secretary under the Act, and any other ministerial or administrative duties.	<i>'Secretary'</i>
"Seal" means the Common Seal for the time being of the Company.	<i>'Seal'</i>
"Share" means share in the share capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.	<i>'Share'</i>
"Small Shareholder" means a shareholder holding shares of the nominal value of twenty thousand rupees or less.	<i>"Small shareholder "</i>
A resolution shall be a special resolution when :	
(a) the intention to propose the resolution as a special resolution has been duly specified in the notice convening the general meeting or other intimation given to the members of the resolution.	
(b) the notice required under the Act has been duly given of the general meeting; and	<i>'Special Resolution'</i>
(c) the votes cast in favour of the resolution whether on a show of hands, or on a poll as the case may be by members, who being entitled so to do, vote in person, or where proxies are allowed, by proxy, are not less than three times the number of the votes, if any, cast against the resolution by members so entitled,	
"Written" and "In Writing" include printing, lithography, computer modes and other modes of representing or reproducing words in a visible form.	<i>'Written' and 'In Writing'</i>
"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act.	<i>'Year' and 'Financial Year'</i>
Words importing the singular number include, where the context admits or requires the plural number and vice versa.	<i>'Singular Numbers'</i>
Words importing the masculine -gender also include the feminine gender,	<i>'Gender'</i>
(2) The marginal notes used in these Articles shall not affect the construction or meaning of the subject.	
(3) Save as aforesaid, words or expressions, defined in the Act shall, if not inconsistent with the subject or context, bear the same meaning in these Articles.	

*CAPITAL AND INCREASE AND REDUCTION OF CAPITAL*

3. *The Authorised Share Capital of the company shall be the capital as specified in Clause IV of the Memorandum of Association, with power to increase and reduce the Share Capital of the company and to divide the shares in the Capital for the time being into several classes as permissible in law and to attach thereto respectively such preferential, deferred, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company to vary, modify, amalgamate or abrogate any such rights, privileges or conditions in such manner as may for time being be provided in the Articles of Association.* *Amount of Capital*
4. The Company in General Meeting may, from time to time, increase the Capital by the creation of new Shares. Such increase to be of such aggregate amount and to be divided into such shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Directors shall determine, and in particular, such shares may be issued with a preferential or qualified right to dividends, or otherwise and in the distribution of assets of the Company, and with a right of voting at general meetings of the Company in conformity with Section 87 of the Act. Whenever the Capital of the Company has been increased under the provisions of this Article, the Directors shall comply with the provisions of Section 97 of the Act. *Increase of Capital by the Company and how carried in to effect*
5. Except in so far as otherwise provided in the conditions of issue of shares by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to provisions herein contained, with reference to the payment of calls and installments, forfeiture. Lien, surrender, transfer and transmission, voting and otherwise. *Office*
6. Subject to the provisions of Section 80 of the Act, the Company shall have the power to issue Preference Shares which at or at the option of the Company are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption. *'redeemable Preference shares*
7. On the issue of Redeemable Preference Shares under the provisions of Article 6 hereof, the following provisions shall take effect :
- (a) No such shares shall be redeemed except out of the profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption. *Provision applicable on the issue redeemable Preference shares*
- (b) No such shares shall be redeemed unless they are fully paid.
- (c) Where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of the profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called the "Capital Redemption Reserve Account" a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the share capital of the Company shall, excepts as provided in Section 80 of the Act, apply as if the Capital Redemption Reserve Account were paid up share capital of the Company.
8. The Company may (subject to the Provisions of Section 78, 80, 100 to 105 both inclusive, of the Act) from time to time by Special Resolution reduce its capital, any Capital Redemption Reserve Account or Share *Reduction of Capital*

Premium Account in any manner for the time being authorised by law, and in particular, capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if the were omitted.

9. Subject to the provisions of Section 94 of the Act, the Company in General Meeting may from time to time sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that, as between the holders of the shares resulting from such sub-division, one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company in General Meeting may also cancel shares which 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. *Sub-division consolidation and cancellation of shares*
10. Whenever the Capital is divided into different classes of shares all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected or abrogated or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths of nominal value of the issued shares of the class or is confirmed by a Resolution passed at a separate General Meeting of the holders of shares of that class and supported by the votes of the holders of at least three-fourths of those shares, and all the provisions hereinafter contained as to General Meetings shall mutatis mutandis apply to every such Meeting, but so that the quorum thereof shall be members present in person or by proxy and holding three-fourths of the nominal amount of the issued shares of the class. This Article is not to derogate from any power the Company would have if it were omitted. *Modification of rights*

#### **SHARES AND CERTIFICATES**

11. The Company shall cause to be kept a Register and index of Members in accordance with Sections 150 and 151 of the Act. The Company shall be entitled to keep in any State or country outside India a branch Register of Members resident in that State or country. *Register and index of Members*
12. The shares in the Capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned, no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished. *Shares to be Numbered Progressively And no share to be subdivided*
13. (1) Where at the time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of shares in the Company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the Company by allotment of further shares, either out of the un-issued capital or out of the increased share capital then
- a. Such further shares shall be offered to the persons who on the date of the offer, are holders of the equity shares of the Company, in proportion as near as circumstances admit, to the capital paid-up on those shares at the date.
- b. Such offer shall be made by a notice specifying the number of *Further issue of capital*

shares offered and limiting a time not being less than thirty days from the date of the offer and the offer, if not accepted, will be deemed to have been declined.

- c. The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (b) hereof shall contain a statement of this right. PROVIDED that the Directors may decline without assigning any reason to allot any shares to any person in whose favour any member may renounce the shares offered to him
  - d. After the expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner as they may think, in their sole discretion, deem fit.
- (2) Notwithstanding anything contained in the sub-clause (1) thereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub clause (1) hereof) in any manner whatsoever.

(i) if a special resolution to that effect is passed by the company in general meeting; or

(ii) where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll, as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes if any, cast against the proposal by members so entitled to voting and the Central Government is satisfied on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.

(3) Nothing in sub-clause (c) of (1) hereof shall be deemed;

- a. To extend the time within which the offer should be accepted; or
- b. To authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(4) Nothing in this article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debenture issued or loan 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 (whether such option is conferred in these articles or otherwise)

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

1. 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 rules, if any, made by that government in this behalf ; and
  2. In the case of debentures or loans or other than debentures issued to or loans obtained from government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the company in general meeting before the issue of the debentures or raising of the loans.
14. subject to the provisions of section 81 of the act and these Articles, the shares in the capital of the company for the time being shall be under the controls of the directors who may issue, allot or otherwise dispose of the same or any of them such persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of section 79 of the act) at discount and at such time as they may from time to time think fit and with the sanction of the company in the general meeting to give to any persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors think fit ,and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any persons without the sanction of the company in the general meeting.
- Shares at the disposal of the Directors'*
15. In addition to and without derogating from the powers for the purpose conferred on the Board under Articles 13 and 14, the Company in General Meeting may, subject to the provisions of Section 81 of the Act, 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 not) in such proportion and on such terms and conditions-and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at a discount as such General Meeting shall determine and. with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company, either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a member or not) the option being exercisable at such times and for such consideration as may be directed by such General Meeting of the Company and the General Meeting may make any other provisions whatsoever for the issue, allotment or disposal of any shares.
- The power also to company in general meeting to authorize issue of shares*
16. Any application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any share shall be an acceptance of shares within the meaning of these Articles and every person who, does or otherwise accepts shares and whose name is on the Register shall for the purpose of these Articles, be a member.
- Acceptance of shares*
17. The money (if any) which the Board shall, on the allotment of any share being made by them require or direct to be paid by way of deposit, call or otherwise in respect of any shares allotted by them shall immediately
- Deposit and call to be a debt payable*

on the insertion of the name of the allottee in the Register of Members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly, *immediately*

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

19. Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the directors may from time to time determine) to several certificates each for one or more of such shares and the company shall complete and have ready for delivery of such certificates within 3 month from the date of allotment, unless the conditions of issue thereof otherwise provide or within 1 month of the receipt of application of registration of transfer, transmission, subdivision or consolidation or renewal of any of its shares as the case may be. Every certificates of shares shall be under the seal of the company and shall specify the no. and distinctive nos. of shares in respect of which it is issued and the amt. Paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons ,the company shall not be borne to issue more than one certificates and delivery of a certificate of shares to one of several joint holder shall be sufficient delivery to all such holders.

20. If any certificate be worn out , defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer ,then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate ,being given ,a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificates under the article shall be issued without payment of fees if the directors so decide, or on payment of such fees(not exceeding Rs.2 for each certificates) as the directors shall prescribe, provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced, worn out or where there is no further space on the back thereof for endorsement of transfer. *Issue of New Certificate in Place of One Defaced, lost Or Destroyed*

Provided that notwithstanding what is stated above the directors shall comply with such rules or regulations or requirement of any stock exchange or the rules made under Securities contracts (Regulation) Act, 1956 or any other act or the rules applicable in this behalf.

The provision of this act shall mutatis mutandis apply to the debentures of the company.

21. If any share stands in the names of two or more persons, the person first named in the register shall, as regards receipt of dividends or bonus or service of notice and all or any oilier matter connected with the Company, except voting at meetings, be deemed the sole holder thereof, but the joint holders of a share shall be severally as well as *The first named joint holder deemed to be sole holder*

jointly liable for the payment of all installments and calls due in respect of such shares for all incidents thereof according to the Company's regulations.

22. Except as ordered by a Court of competent jurisdiction, or as by law required, the Company shall not be bound to recognize any equitable, contingent, future or partial interest in any share, or (except provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to register any share 'in the joint names of any two or more persons or the survivor or survivors of them. *Company not bound to recognize any interest in share other than that of registered holder*
23. The Company shall have power, subject to and in accordance with all the applicable provisions of the Act and the rules made thereunder, to purchase any of its own fully paid shares or other specified securities whether or not they are redeemable and may make a payment out of its free reserves or securities premium account of the Company or proceeds of any shares or other specified securities provided that no buy back of any kind of shares or other specified securities shall be made out of the proceeds of an earlier issue of the same kind of shares or same kind of other specified securities or from such other sources as may be permitted by Law on such terms, conditions and in such manner as may—be prescribed by the Law from time to time in respect of such purchase. ' *Buy back of Securities by the Company*
24. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on the condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing allotment of share, attending (not voting) at the general meeting, appointment of directors and otherwise debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the company in the general meeting by a special resolution.

#### **UNDERWRITING AND BROKERAGE**

25. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares in or debentures of the Company, but so that the commission shall not exceed in the case of shares, five per cent of the price at which the shares are issued, and in the case of debentures, two and a half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other. *Commission may be paid*
26. The Company may pay a reasonable sum for brokerage. *Brokerage*

#### **INTEREST OUT OF CAPITAL**

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

of the work or building, or the provision of plant.

## **CALLS**

28. (a) The Board may, from time to time and subject to the terms on which any shares have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such call as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively, and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by installments. *Directors may make calls.*
- (b) That option or right to call of shares shall not be given to any person except with the sanction of the issuer in general meetings.
29. Fifteen days notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid. *Notice of calls.*
30. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board. *Calls to date from resolution.*
31. A call may be revoked or postponed at the discretion of the Board. *Calls may be revoked or postponed.*
32. The option or right to call of shares not be given to any person except with the sanction of the company in general meeting.
33. The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof. *Joint and severally.*
34. The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a member of grace and favour. *Directors may extend time.*
35. If any member fails to pay any call due from him on the day appointed for. payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest of the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member. *Calls to carry interest.*
36. Any sum, which may by the terms of issue of a share becomes payable on allotment or at any fixed date, whether on account of the nominal value of the share or by way of premium, shall for the purposes of these Articles be deemed to be a call duly made and payable, on the date on which by the terms of issue the same becomes payable and in case of non-payment, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified. *Sums deemed to be calls.*
37. On the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member, in respect of whose shares, the-money is sought to be recovered appears entered on the Register of Members as the holder, at or subsequently to the date at which the money is sought to be recovered, is alleged to have become due on the shares in respect of such money is sought to be recovered; *Proof on trial of suit for money due on shares.*

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

38. Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided. *Partial payment not to preclude forfeiture.*
39. The directors may, if they think fit, subject to the provisions of section 92 of the act, agree to and receive from any member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the company pay interest at such rate, as the member paying such sum in advance and the directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The directors may at any time repay the amount so advanced. *Calls in advance.*

The members shall not be entitled to any voting rights in respect to the moneys so paid by him until the same would but for such payment, become presently payable.

The provisions of these Articles shall mutatis mutandis apply to the calls on debenture of the company.

#### **LIEN**

40. The Company shall have a first and paramount lien upon all the shares (other than fully paid-up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing, and upon the condition that Article 22 hereof is to have full effect. Any such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares. The directors may at any time declare any shares wholly or in part to be exempt from the provision of this clause. *Company to have lien on shares.*
41. For the purpose of enforcing such lien, the Board may sell the shares subject thereto in such manner as they shall think fit, and for that purpose may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their member to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfillment, or discharge of such debts, *As to enforcing lien by sale.*

liabilities or engagements for fourteen days after such notice.

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

#### **FORFEITURE OF SHARE**

43. If any member fails to pay any call or installment on or before the day appointed for the payment of the same the Board may at any time thereafter during such time as the call or installment remains unpaid, Serve notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non payment. *If call or installment not paid notice may be given.*
44. The notice shall name a day (not being less Than Thirty days from the date of the notice) and a place or places on and at which such call or installment and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non payment at or before the time, and at the place appointed the shares in respect of which such call was made or installment is payable will be liable to be forfeited *Form of notice.*
45. If the requisitions of any such notice as aforesaid be not complied with, any shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture *If notice not complied with shares may be forfeited.*
46. When any shares shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of Members, but no forfeiture shall be in any manner invalidated, by any omission or neglect to give such notice or to make any such entry as aforesaid. *Notice of forfeiture to a member.*
47. Any share so forfeited shall be deemed to be the property of the Company, and the Board may sell, re allot or otherwise dispose of the same in such manner as think fit *Forfeited share to become property of the company.*
48. The Board may, at any time before any share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit. *Power to annul forfeiture.*
49. A person whose share has been forfeited shall cease to be a member in respect of the forfeited share, but shall notwithstanding, remain liable to pay, and shall forthwith pay to the Company, all calls, or installment, interest and expenses, owing in respect of such share a t the time of the forfeiture, together with interest thereon, from the time of forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment thereof, to any party thereof, without any deduction or allowance for the value of the shares at the time of forfeiture, but shall not be under any obligation to do so. *Liability on forfeiture.*
50. The forfeiture of a share involve extinction, at the time of the forfeiture, of all interest and all claims and demands against the Company in respect of the share and all other rights, incidental to the share except *Effect of forfeiture.*

only such of those rights as by these Articles are expressly saved.

51. A duly verified declaration in writing that the declarant is a Director of the Company, and that certain shares in the Company have 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 such declaration and the 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 such shares; and the person to whom any such share is sold shall be registered as the member in respect of such share and shall not be bound to see to the application of the purchase money, nor shall his title to such share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposition. *Evidence of forfeiture*

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

#### **TRANSFER AND TRANSMISSION OF SHARES**

53. The Company shall keep a book to be called the "Register of Transfers", and therein shall be fairly and directly entered particulars of every transfer or transmission of any share. *Register of transfers.*

54. The instrument of transfer shall be in writing and all provision of section 108 of the companies Act ,1956 and statutory modification there of for the time being shall be duly complied with in respect of all transfer of shares and registration thereof. *Instruments of transfer.*

55. Every such instrument of transfer shall be executed both by transferor and the transferee and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The Board shall not issue or register a transfer of any share in favour of a minor (except in cases when they are fully paid up). *To be executed by transferor and transferee.*

56. The Board shall have power on giving seven days' previous notice by advertisement in some newspaper circulating in the district in which the Office of the Company is situated to close the transfer books, the Register of Members or Register of Debenture holders at such time or times and for such period or periods, not exceeding thirty days at a time and not exceeding in the aggregate forty-five days in each year, as it may deem expedient. *Transfer books when closed.*

57. Subject to the provision of section 111 of the act and section 22A of the securities Contracts(Regulation) Act,1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal,shall not be affected by the circumstances that the proposed transferee is already a member of the company but in such cases ,the director shall within 1month from the date on which the instrument of transfer was lodged with the company,send to the transferee and transferor notice of the refusal to register such transfer. *Directors may refuse to register transfer.*

provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person indebted to the company on any account whatsoever except when the company has a lien on the shares. Transfer of shares/debentures in whatever lot shall not be refused.

58. Every holder of shares in, or Debentures of the Company. may at any time nominate, in the manner prescribed under the Act, a person to whom his Shares in or Debentures of the Company shall vest in the event of death of such holder. *Nomination*

Where the Shares in, or Debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the Shares or Debentures of the Company, as the case may be, held by them shall vest in the event of death of all joint holders.

Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, or in these Articles, in respect of such Shares in or Debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Shares in, or Debentures of the Company, the nominee shall, on the death of the Shareholders or holder of Debentures of the Company or, as the case may be, on the death of all the joint holders become entitled to all the rights in the Shares or Debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner under the provisions of the Act.

Where the nominee is a minor, it shall be lawful for the holder of the Shares or holder of Debentures to make the nomination to appoint, in the prescribed manner under the provisions of the Act, any person to become entitled to the Shares in or Debentures of the Company, in the event of his death, during the minority.

59. Any person who becomes a nominee by virtue of the provision of the above Article, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either :
- Transmission in the name of nominee.*
- a) to be registered himself as holder of the shares or debentures, as the case may be; or
  - b) to make such transfer of the shares or debentures, as the case may be, as the deceased shareholder or debenture holder, as the case may be, could have made.

If the nominee, so becoming entitled, elects himself to be registered as holder of the Shares or Debentures, as the case may be, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects and such notice shall be accompanied with death certificate of the deceased shareholder or debenture holder and the certificate(s) of Shares or Debentures, as the case may be, held by the deceased in the Company.

Subject to the provisions of Section 109B(3) of the Act and these Articles, the Board may register the relevant Shares or Debentures in the name of the nominee of the transferee as if the death of the registered holder of the Shares or Debentures had not occurred and the notice or transfer were a transfer signed by that shareholder or debenture holder, as the case may be.

A nominee on becoming entitled to Shares or Debentures by reason of the death of the holder. or joint holders shall be entitled to the same dividend and other advantages to which he would be entitled if he were the registered holder of the Share or Debenture, except that he shall not before being registered as holder of such Shares or Debentures, be entitled in respect of them to exercise any right conferred on a member or Debenture holder in relation to meetings of the Company. .

The Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the Shares or Debentures, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonuses, interest or other moneys payable or rights accrued or accruing in respect of the relevant Shares or Debentures, until the requirements of the notice have been complied with.

- 60. No share shall in any circumstances be transferred to any insolvent or persons of unsound mind. *No transfer to insolvent etc.*
- 61. Subject to the provisions of articles 56 and 57, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member, or the marriage of a female member, or by any lawful means other than by a transfer in accordance with these presents, may with the consent of the Board of Directors (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respects of which he proposes to act under this article of his title, as the holder of the shares or elect to have some person nominated by him and approved by the Board of Directors, registered as such holder, provided nevertheless, that if such person shall elect to have his nominee registered he shall testify the election by executing to his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares. This Article is referred to in these Articles as the Transmission Article. *Registration of persons entitled to shares otherwise than by transfer(The transmission article)*
- 62. A person entitled to a share by transmission shall, subject to the right *Person entitled may receive*

of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give discharge for any dividends or other moneys payable in respect of the share.

*dividend without being registered as a member.*

63. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the Board of Directors shall from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors.

*Transfer to be presented with evidence of title.*

64. For the purpose of the registration of a transfer, the certificate or certificates of the share or shares to be transferred must be delivered to the Company along with (same as provided in Section 108 of the Act) a properly stamped and executed instrument of transfer.

*Conditions of registration of transfer.*

65. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and letters of administration, certificate of death or marriage, Power of attorney or similar other document.

*Fee on transfer or transmission.*

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

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

## **DEMATERIALIZATION OF SECURITIES**

67. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Articles.

1. For the purpose of this Article:

*Definitions.*

'Beneficial Owner' means a person or persons whose name is recorded as such With a depository, 'SEBI' means the Securities & Exchange Board of India; established under Section 3 of the Securities & Exchange Board of India Act, 1992 and

'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 Securities & Exchange Board of India Act, 1992; and wherein the securities of the Company are dealt With in accordance With the provisions of the Depositories Act, 1996.

2. The Company shall be entitled to dematerialize securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996.

*Dematerialization of Securities*

3. Every holder of or subscriber to securities of the Company shall have the option to receive certificates for such securities or to hold the securities with a Depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted bylaw, in respect of any securities in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates for the Securities.

*Options for investors.*

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

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

*Securities in depositories to be in fungible form.*

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

*Rights of Depositories and beneficial owners.*

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

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

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

*Service of Documents.*

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

*Transfer of securities.*

8. Notwithstanding anything contained 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.

*Allotment of securities dealt with in a depository.*

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

*Distinctive number of securities held in a Depository.*

10. The Register and Index of beneficial owners maintained by a depository under the Depositories Act, 1996 shall be deemed to be the Register and Index of Members and Security holders for the purposes of these Articles.

*Register and index of Beneficial Owners.*

### **COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS**

68. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Board to every Member at his request within fifteen days of the request on payment of Re. 1/ - for each copy.

*Copies of Memorandum and articles of Associations sent by the company.*

## **BORROWING POWERS**

69. The Board may, from time to time, at its discretion subject to the provisions of Section 292 of the Act, raise or borrow, either from the Directors or from elsewhere and secure the payment of any sum or sums of money for the purpose of the Company; provided that the Board shall not without the sanction of the Company in General Meeting borrow any sum of money which together with money borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate for the time being of the paid up capital of the Company and its free reserves, that is to say, reserves not. set aside for any specific purpose. *Power to borrow.*
70. The Board may raise or secure the repayment of such sum or sums in such; manner and upon such terms and conditions in all respects as it thinks fit and in particular, by the issue of bonds, perpetual or redeemable, debentures or debenture-stock, or any mortgage, or other security on the undertaking of the whole or any part of the property of the Company (both present and future including its uncalled capital for the time being. *Conditions on which money may be borrowed.*
71. Any debentures, debenture-stock, bonds other securities may be issued at a discount and otherwise debentures, debenture-stock, bonds and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Debentures, debenture-stock, bonds or other securities with a right of conversion into or allotment of shares shall be issued only with sanction of the Company in General Meeting. *Issued at discounts etc. with special privileges.*
72. Save as provided in Section 108 of the Act, no transfer of debentures shall be registered unless a proper instrument of transfer duly stamped and executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures. *Instrument of transfer.*
73. If the Board refuses to register the transfer of any debentures, the Company shall, within one month from the date on which the instrument of transfer was lodged with the company, send to the transferee and to the transferor the notice of such refusal. *Notice of refusal to register members.*
74. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company, and shall cause the requirements of Sections 118 and 125 and 127 to 144, both inclusive of the Act in that behalf to be duly complied with, so far as they are ought to be complied with by the Board. *Register of mortgages etc. to be kept.*
75. The Company shall, if at any time it issues debentures, keep Register and Index of Debenture holders in accordance with Section 152 of the Act. The Company shall have the power to keep in any State or Country outside India a Branch Register of Debenture-holders, resident in that State or Country. *Register and index of debenture holders.*

## **CONVERSION OF SHARES INTO STOCK AND RECONVERSION**

76. The Company in General Meeting may convert any paid-up shares into stock; and when any shares shall have been converted into stock, the several holders of such stock may thenceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to the same regulations as, and subject to which the shares from which the stock arose might have been transferred, if no such conversion had taken place or as near thereto as circumstances will *Shares may be converted to stock.*

admit. The Company may at any time re-convert any stock into paid-up shares of any denomination.

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

#### **MEETING OF MEMBERS**

78. The company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meeting shall be Extraordinary General Meetings. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the company and the next Annual General Meeting shall be held within six months after the expiry of the financial year in which the first Annual General Meeting was held and thereafter an Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall elapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 166(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for on a time during business hours, on a day that is not a public holiday, and shall be held in the office of the company or at some other place within the city in which the office of the Company is situated as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting. The Company may in anyone Annual General Meeting fix the time for its subsequent Annual General Meeting. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall be entitled to attend and to be heard at any General Meeting which he attends on any part of the business, concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report (if not already attached in the Audited statement of Accounts) the proxy Register with proxies and the Register of Directors' Share holdings of which latter Register shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act. *Annual General Meeting Summary.*
79. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid-up capital as at the date carries the right of voting in regard to the matter in respect of which the requisition has been made. *Extraordinary General Meeting.*
80. Any valid requisition so made by members must state the object or objects of the meeting proposed to be called and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in file form each signed by one or more requisitionists. *Regulation of the Members to state object of meeting.*

81. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the office to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists, or such of their number as represents either a majority in value of the paid-up share capital of the Company as is referred to in Section 169(4) of the Act, which ever is less, may themselves call the meeting, but in either case, any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid. *On receipt of requisitions Directors to call meeting and in default requisitionists may do so.*
82. Any meeting called under the foregoing Articles by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board. *Meeting called by requisitionists.*
83. Twenty-one days' notice at least of every General Meeting, Annual or Extraordinary and by whosoever called, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the members entitled to vote thereat and in the case of any other meeting, with the consent of members holding not less than 95 percent of such part of the paid up share capital of the Company as gives a right to vote at the meeting any be convened by a shorter notice. In the case of an Annual General Meeting, if any business other than (i) the consideration of the Accounts, Balance Sheets and Reports of the Board of Directors and Auditors (ii) the declaration of dividend, (iii) the appointment of Directors in place of those retiring (iv) the appointment of and fixing of remuneration of the Auditors, is proposed to be transacted then in that event there shall be annexed to the notice of the Meeting a statement setting out all materials facts concerning each such item of business including, in particular, the nature of concern or interest, if any, therein of every director, and the Manager (if any). Where any such item of special business relates to or affects any other Company, the extent of shareholding interest in other company of every Director and the Manager, if any, of the Company shall also be set out in the Statement if the extent of such share holding interest is not less than 20 percent of the paid-up share capital of that other company Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in ' the statement aforesaid.
84. The accidental omission to give any such notice as aforesaid to any of the members, or the non receipt thereof, shall not invalidate the holding of the meeting or any resolution passed at any such meeting. *Omissions to give notice and to invalidate a resolution passed.*
85. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened. *Meeting not to transact business not mentioned in notice.*
86. Five members present in person shall be quorum for a General Meeting.
87. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. *Quorum of General Meeting.*

88. If, at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of members shall stand dissolved, but in any other case the meeting shall stand adjourned to the same day in the next week or, if that day is a public holiday, until the next succeeding day which is not a public holiday, at the same time and place, or to such other day and at such other time and place in the city or town in which the office of the Company is for the time being situate as the Board may determine and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be quorum and may transact the business for which the meeting was called. *If quorum not present meeting to be dissolved or adjourned.*
89. The Chairman (if any) of the Board shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there be no such Chairman of the Board, or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting, or if he shall be unable or unwilling to take the Chair, then the directors present may choose one of their member to be the Chairman of the meeting. If no director be present or if all the directors present decline to take the chair, then the Members present shall elect one of their number to be Chairman. *Chairman of general meeting.*
90. No business shall be discussed at any General Meeting except the election of a Chairman, while the chair is vacant.
91. The Chairman with the consent of the members may adjourn any meeting from time to time and from place to place in the city in which it is held 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. *Chairman with consent may adjourn meeting.*
92. At any General Meeting a resolution put to vote at 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 by at least five members having the right to vote on the resolution and present in person or by proxy, or by the Chairman of the Meeting or by any member or members holding not less than one-tenth of the total voting power in respect of the resolution or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution, being shares on which an aggregate sum has been paid-up on all the shares conferring that right, and unless a poll is demanded, a declaration by the Chairman that a resolution has on a show of hands, been carried unanimously, or by a particular majority, or lost, and an entry to that effect in the Minute Book 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 the resolution. *Questions at general meeting decided.*
93. In the case of an equality of votes, the Chairman shall, both on a show of hands and at a poll (if any), have a casting vote in addition to the vote or votes to which he may be entitled as a member. *Chairman's casting vote.*
94. If a poll is demanded as aforesaid, the same shall, subject to Article 89 be taken at such time (not later than forty-eight hours from the time when the demand was made) and place in the city or town in which the Office of the Company is for the time being situate and either by open voting or by ballot, as the Chairman shall direct, and either at once or after an interval or adjournment or otherwise, and the result of the poll *Poll if be taken if demanded*

shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

95. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the vote given on the poll and to report thereon to him. One of the scrutinizers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such member is available and willing to be appointed. The Chairman shall have power at any time before the result of the poll is declared to remove a Scrutinizer from office and fill vacancies in the office of Scrutinizer from such removal or from any other cause. *Scrutineers at poll*
96. Any poll duly demanded on the election of Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith. . *In what case poll taken without adjournment.*
97. The demand for a poll except on the questions of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded. *Demand of poll not to prevent transaction of other business.*

#### **VOTE OF MEMBERS**

98. No member shall be entitled to vote either personally or by proxy, at any General Meeting or Meeting of a class of shareholders, either upon a show of hands or upon a poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or, in regard to which the Company has, and has exercised any right of lien. *Members in arrears not to vote.*
99. Subject to the provisions of these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the Capital of the Company, every member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting rights of every member present in person or by proxy shall be in proportion to his shares of the paid-up equity share capital of the Company. Provided, however, if any preference share-holder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares. *Number of vote which a person entitled.*
100. On a poll taken at meeting of the Company a member entitled to more than one vote, or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he used or may abstain from voting. *Casting on votes by a member entitled more than one vote.*
101. 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, vote by proxy, if any member be a minor, the vote in respect of his share or shares shall be by his guardian, or any of his guardians, if more than one, to be selected in case of dispute by the Chairman of the meeting. *How members non composmentia and minor may vote.*
102. If there be joint holders of any shares, anyone of such person may vote at any meeting or may appoint another person (whether a member or *Vote of joint holders.*

not) as his proxy in respect of such shares, as if he were solely entitled thereto by the proxy so appointed shall not have any right to speak at the meeting and, if more than one of such joint holders be present at any meeting that one of the said persons so present whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint-holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased member in whose name shares stand shall for the purpose of these Articles to be deemed joint holders thereof.

103. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act, and such representative shall be entitled to exercise the same rights and powers (including the rights to vote by proxy) on behalf of the body corporate which he represents as the body could exercise if it were an individual member. *Voting in person or by proxy.*
104. Any person entitled under Article 60, to transfer any share may vote at any General Meeting in respect thereof in the same manner, as if he were the registered holder of such shares, provided that forty eight hours atleast before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof. *Votes in respect of shares of deceased and insolvent members.*
105. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation under the common seal of such corporation, or be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have any right to speak at the meeting. *Appointment of proxy.*
106. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or. It may appoint for the purpose of every meeting of the Company, or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting. *Proxy either for specified meeting or a period.*
107. A member present by proxy shall be entitled to vote only on a poll.
108. 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 or authority shall be deposited at the office not later than forty eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid. 'No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution. *Deposit of instrument of appointment.*
109. Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act. *Form of proxy.*
110. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy of any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the *Validity of votes given by proxy notwithstanding death of member.*

office before the meeting.

111. No objection shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.

*Time for objection of votes.*

112. Notwithstanding any thing contained in the foregoing, the company shall transact such business, as may be specified by the members to form a quorum. Where a resolution will be passed by postal ballot the company shall, in addition to the requirements of giving requisite clear days notice, send to all the members the following:

*Passing of resolution by postal ballot.*

i) Draft resolution and relevant explanatory statement clearly explaining the reasons thereof.

ii) Postal ballot for giving assent or dissent, in writing by members: and

iii) Postage prepaid envelope (by Registered Post) for communicating assents or dissents on the postal ballot to the company with a request to the members to send their communications within 30 days from the date of dispatch of Notice.

The Company shall also follow such procedure, for conducting vote by postal ballot and for ascertaining the assent or dissent, as may be prescribed by the Act and the relevant Rules made there under.

113. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.

*Chairman of meeting to be the judge of validity of any vote.*

114. (1) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for that purpose with their pages consecutively numbered. *Meetings of General Meeting and inspection thereof by members.*
- (2) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of such meeting in such books shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or liability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.
- (3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.
- (4) The minutes of each meetings shall contain a fair and correct summary of the proceedings thereat.
- (5) All appointments of Officers made at any meeting aforesaid shall be included in the minutes of the meetings.
- (6) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter which in the opinion of the 'Chairman of the meeting :-
- (a) is or could reasonably be regarded, as, defamatory of any person or
- (b) is irrelevant or immaterial to the proceeding, or
- (c) is detrimental to the interest of the Company.
- The Chairman of the meeting shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds.
- (7) Any such minutes shall be evidence of the proceedings recorded therein.
- (8) The book containing the minutes of proceedings of General Meetings shall be kept at the office of the Company and shall be open during business hours for such periods not being less in the aggregate than two hours in each day as' the Directors determine, to the inspection of any member without charge.

#### **DIRECTORS**

115. 1. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors (excluding Debenture and Alternate Directors, (if any) shall not be less than three nor more than twelve.
2. The first Directors of the Company were the following
- i) Mr. Poonamchand Malu
  - ii) Mr. Bhanwarlal Malu
  - iii) Mr. Damodar Malu
  - iv) Mr. Banwarilal Malu
  - v) Mr. Purushottam Malu
  - vi) Mr. Vasudeo Malu
  - vii) Mr. Ghasiram Malu
116. If at any time the Company obtains any loan or any assistance in connection there with by way of guarantee or otherwise from any person, firm, body corporate, local authority or public body (hereinafter *Power to appoint ex-officio*

called "the institution") or if at any time the Company issues any shares, debentures and enters into any contract or arrangement with the institution, whereby the institution subscribes for or underwrites the issue of the Company's shares or debentures or provides any assistance to the Company in any manner and it is a term of the relative loan, assistance, contract or agreement that the institution shall have the right to appoint one or more directors to the Board of the Company, then subject to the provisions of Section 225 of the Act and subject to the terms and conditions of such loan, assistance, contract or arrangement, the institution shall be entitled to appoint one or more director or Directors, as the case may be, to the Board of the Company and to remove from office any director so appointed and to appoint another in his place or in the place of Director so appointed who resigns or otherwise vacates his office. Any such appointment or removal shall be made in writing and shall be served at the office of the Company. The director or directors so appointed shall neither be required to hold any qualification share nor be liable to retire by rotation and shall continue in the office for so long as the relative loan, assistance, contract or arrangement, as the case may be, subsists.

117. If it is provided by the Trust Deed, securing or otherwise in connection with any issue of debentures of the Company, that any person or persons shall have power to nominate a Director of the Company, then in the case of any and every such issue of debenture, the person or persons having such power may exercise such power from time to time and appoint a Director accordingly. Any Director so appointed is herein referred to as Debenture Director. A Debenture Director may be removed from office at any time by the person or persons in whom for the time being is vested the power under which he was appointed and another Director maybe appointed in his place. A Debenture Director shall not be allowed to hold any qualification share.

118. If the Company at any time have a minimum paid up capital of Rupees Five Crore or such sum as may be prescribed and at least one thousand or more small shareholders, then the company may, suo-moto or upon requisition of not less than one tenth of the total number of small shareholders, proceed to appoint a nominee from amongst small shareholders as a Director of the Company. The small 'shareholders' director shall before his appointment, file his consent, to act as a Director, in writing to the Company and the tenure of such appointment shall be three years at a time without retirement by rotation, but shall be eligible for reappointment for another tenure. He shall, however, not be appointed as Managing Director or Whole Time Director under any circumstances and shall be subject to same disqualifications and shall vacate his office on the same grounds as are applicable to other Directors, in pursuance of these Articles. The company shall follow such Rules as may be prescribed by the Central Govt. in this behalf.

No small shareholders' director appointed in accordance with the provisions of this Article shall hold office at the same time as "small shareholders' director" in more than two companies. *Restrictions on directorship.*

119. The Board may appoint an Alternate Director to act for a Director (hereinafter called "the Original Director") during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original director in whose place he has been appointed and shall vacate the office of the Original Director when *Appointment of alternate directors.*

he returns to that State. If the terms of office of the Original Director are determined before he so returns to that state, any provisions in the Act or in these Articles for the automatic reappointment of any retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

120. Subject to the provisions of Sections 260 and 264 of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be an Additional Director, but so that the total number of Directors shall not at any time exceed the maximum 12 fixed under the Article 111. Any such Additional Director shall hold office only up to the date of the next Annual General Meeting. *Directors power to add to the Board or the appointment of Additional director.*
121. Until otherwise determined by the Company in General Meeting, a Director shall not be required to hold any shares in the capital of the Company as his qualification. *Share qualification of directors.*
122. Without prejudice to the restrictions imposed by Section 226 of the Act, a Director who is required to hold qualification shares may act as a Director before acquiring such shares but shall, if he is not already qualified, obtain his qualification, and every Director other than a Director appointed by the Central or a State Government shall file with the Company a declaration specifying the qualification shares held by him within two months from his appointment as a director. *Directors can act before acquiring qualification.*
123. Subject to the provisions of Section 262, 264 and 284(6) of the Act, the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office if it had not been vacated by him. *Director's power to fill casual vacancies.*
124. (1) Subject to the provisions of the Act, a Managing Director, or Managing Directors or Director who is/are in the whole-time employment of the Company may be paid remuneration either by way of a monthly payment or at a specified percentage of the net profits of the Company or partly by one way and partly by the other. *Remuneration of Directors.*
- (2) Subject to the provisions of the Act, an Director who is neither in the whole time employment nor a Managing Director, may be paid remuneration either.
- (i) by way of monthly, quarterly or annual payment with the approval of the Central Government, or
- (ii) by way of commission if the Company by a special resolution authorised such payment.
- (3) The fees payable to a Director (including a Managing or whole-time Director, if any), for attending a Meeting of the Board or Committee thereof may be in accordance with and subject to the provisions of Section 309 of the Act or such other sum as the Company in General Meeting may from time-to time determine.
125. The Board may allow any pay to any director who is not a bonafide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation for traveling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified; and if any Director be called upon to go or resided out of the ordinary place of his residence on the Company's business, he shall be entitled to be \_ repaid and *Reimbursement of expenses to Directors for attending meeting of the Board.*

reimbursed any traveling or other expenses incurred in connection with business of the Company.

126. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by the Article 111 hereof, the continuing Directors not being less than three, may act for the purpose of increasing the number of directors to that number or for summoning a General Meeting but for no other purpose. *Directors may act notwithstanding any vacancies.*
127. (1) The office of a Director shall ipso facto be vacated if :- *Vacation of office of director.*
- (a) he fails to obtain within the time specified in sub-section (1) of Section 270 of the Act, or at any time thereafter ceases to hold, the share qualification, if any necessary for his appointment; or
  - (b) he is found to be of unsound mind by a Court of competent jurisdiction; or
  - (c) he applies to be adjudicated an insolvent;
  - (d) or he is adjudged insolvent; or
  - (e) he is convicted by a Court in India of any offence and is sentenced in respect thereof to imprisonment for not less than six months; or
  - (f) he fails to pay any call in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the last date fixed for the payment of the call; or
  - (g) he absents from three consecutive meetings of the Board or from all meetings of the Board for a continuous period of three months, whichever is the longer, without obtaining leave of absence from the Board; or
  - (h) he or any firm of which he is a partner or any private company of which he is a director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or
  - (i) he acts in contravention of Section 299 of the Act; or
  - (j) he has been removed from office in pursuance of Section 203 of the Act; or
  - (k) by notice in writing to the Company that he resigns his office; or
  - (l) any office or place of profit under the Company or under any subsidiary of the Company is held in contravention of Section 314 of the Act and by operation of that Section he is deemed to vacate the office.
- (2) Notwithstanding any matter or thing in sub-clauses (d), (e) and (j) of clause (1), the disqualification referred to in those sub-clauses shall not take effect
- (a) for thirty days from the date of adjudication sentence or order; or
  - (b) where an appeal or petition is preferred within the thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence, or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or
  - (c) where within the seven 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.

128. (1) A Director or his relative, a firm in which such Director or relative is a partner, or any other partner in such firm or a private company of which the Director is a member or a private company of which the Company is a member or director, may enter into any contract with Company for the sale, purchase or supply of any goods, materials, or services or for underwriting the subscription of any shares in, or debentures of the Company, provided that the sanction of the Board is obtained before or within three months of the date on which the contract is entered into in accordance with Section 297 of the Act.

*Director may contract with company.*

(2) No sanction shall, however, be necessary for

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

(b) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other side for sale, purchase or supply of any goods, materials and services in which either the Company or the director, relative, firm, partner or private company, as the case may be, regularly trades or does business, where the value of the goods and materials or the, cost of such services does not exceed Rs. 5,000/- (Rupees Five Thousand only) in the aggregate in any year comprised in the period of the contract or contracts.

Provided that in the circumstances of urgent necessity, a Director, relative, firm, partner or private company as aforesaid may 'without obtaining the consent of the Board enter into any such contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or the cost of such services exceeds Rs. 5,000/(Rupees Five Thousand only) in the aggregate in any year comprised in the period of the contract and the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered into.

129. A director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or proposed contract or arrangement entered into or to be entered into by or on behalf of the company, shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299(2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company either himself or along with his relatives holds or hold two per cent of the paid-up share capital in any such other company. .

*Disclosure of interest.*

130. A General Notice given to the Board by the Directors, to the effect that he is a director or member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notice, be entered into with that body corporate or firm, shall be deemed to be a sufficient disclosure of concern or interest in relation to any contract or arrangement so made. Any such general notice shall expire at the end of the financial year in which it is given but may be renewed for a further period of one financial year at a time by a fresh notice given in the last month of the financial year in which it would have otherwise expired of such general notice and no renewal thereof, shall be of effect unless it is given at a meeting of the Board or the Director concerned

*General notice of interest.*

takes reasonable steps to secure that it is brought up and read at the first meeting of the Board after it is given.

131. No director shall as Director take any part in the discussion of, or vote on any contract or arrangement entered into by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote; and if he does vote, his vote shall be void; provided however, that nothing herein contained shall apply to :
- (a) any contract of indemnity against any loss which the Directors or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company.
- (b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely :
- (i) in his being:
- (a) a director in such company, and
- (b) 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
- (ii) in his being a member holding not more than 2% of its paid-up share capital.
132. The Company shall keep a Register in accordance with Section 301(1)- and shall within the time specified in section 301 (2) enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company the names of the bodies corporate and firms of which notice has been given by him under Article 125. The Register shall be kept at the office of the company and shall be open to inspection at such office, and extracts maybe taken therefrom and copies thereof in the same manner, and on payment of the same fee as in the case of the Register of Members of the Company and the provision of Section 163 of the Act shall apply accordingly.
133. A Director may be or become a director of any company promoted by the Company or "in which it may be interested as a vendor, shareholder, or otherwise, and no such director shall be accountable for any benefits received as director or shareholder of such company except in so far as Section 209(6) or Section 314 of. the Act may" "be applicable.
134. At every Annual General Meeting of the Company, one-third if such of the Directors for the time being as are liable to retire by rotation or if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.
135. Subject to Section 256(2) of the Act, the Directors to retire by rotation under Article 129 at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became directors on the same day, those who are to retire, shall, in default of, and subject to any agreement among themselves, be determined by lot.
136. A retiring Director shall be eligible for re-election.

*Interested director not to participate or vote in Board's proceeding*

*Register of contracts in which directors are interested.*

*Directors may be directors of companies promoted by the company.*

*Retirement and rotation of directors.*

*Ascertainment of Directors retiring by rotation and filling of vacancies.*

*Retiring*

- Director eligible  
for re election*
137. Subject to Sections 258 and 259 of the Act, the Company at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office" by electing a person thereto. *Filling up of vacancies at general meeting.*
138. (a) If the place of the retiring Director is not so filled up and the meeting has not expressly, resolved not to fill the vacancy, the meeting shall stand adjourned until the same day in the next week, at the same time and place. *Provisions for default of appointment.*
- (b) If at the adjourned meeting also, the place" of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be so deemed to have been reappointed at the adjourned meeting, unless:
- (i) at that meeting or at the previous meeting the resolution for the reappointment of such Director has been put to the meeting and lost;
- (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board expressed his unwillingness to be so reappointed;
- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution whether special or ordinary, is required for the appointment or reappointment by virtue of any provisions of the Act; or
- (v) the provision to sub-section (2) of Section 263 of the Act is applicable to the case.
139. Subject to Section 259 of the Act, the Company may, by Ordinary Resolution, from time to time, increase or reduce the number of directors, and may after their qualifications the Company (subject to the provisions of Section 284 of the Act) remove any Director before the expiration of his period of office and appoint another qualified person in his stead. The person so appointed shall hold Office during. such time as the director in whose place he is appointed would have held the same if he had not been removed. *Company may increase or reduce the number of directors.*

140. (1) No person not being a retiring Director, shall be eligible for appointment to the office of director at any General Meeting unless he or some member intending to propose him has, not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office.
- (2) Every person (other than a director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 or the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director, shall sign and file with the Company, the consent in writing to act as a Director, if appointed.
- (3) A person other than a Director reappointed after retirement by rotation of immediately on the expiry of his term of office, or an Additional or Alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or reappointed as an Additional or Alternate Director, immediately on the expiry of his term of office, shall not act as a Director of the Company unless he has within thirty days of his appointment signed and filed with the Registrar his consent in writing to act as such Director.
141. (a) The Company shall keep at its office a Register containing the particulars of its Directors, Managers, Secretaries and other persons mentioned in Section 303 of the Act and shall otherwise comply with the provisions of the said Section in all respects.
- (b) The Company shall in respect of each of its Directors also keep at its office a Register, as required by Section 307 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.
142. (a) Every Director (including a person deemed to be a Director by virtue of the Explanation to sub-section (1) of Section 303 of the Act, Managing Director, Manager, or Secretary of the Company, shall within twenty days of his appointment to any of the above offices in any other body corporate, disclose to the Company the particulars relating to his office in the other body which are required to be specified under sub-section (1) of Section 303 of the Act.
- (b) Every Director and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provision of that section.

*Notice of candidate for office of directors except in certain cases.*

*Register of Directors etc. and notification of charge to Registrar.*

*Disclosure by directors of appointment only in other body corporate.*

*Disclosure by a Director of his holding of share and debenture of company etc.*

### **MANAGING DIRECTOR**

143. Subject to the provisions of the Act and of these Articles, the Board shall have power to appoint from time to time any of its member or members as Managing Director or Managing Directors of the Company for fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit and subject to the provisions of Article 140, the Board may by resolution vest in such Managing Director or Managing Directors such of the powers hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine. The remuneration of a

*Board may appoint Managing Director or Managing Directors.*

Managing Director may be by way of monthly. payment, fee for each meeting or participation in profits, or by any or all these modes, or any other mode not expressly prohibited by the Act.

144. The Managing Director or Managing Directors shall not exercise the powers to: *Restriction on Management.*
- (a) make calls on share holders in respect of money unpaid on the shares in the Company.
  - (b) issue debentures; and except to the extent mentioned in the resolution passed at the Board meeting under Section 292 of the Act, shall also not exercise the powers to;
  - (c) borrow moneys, otherwise than on debentures;
  - (d) invest the funds of the Company, and
  - (e) make loans.
145. The Company shall not appoint or employ, or continue the appointment or employment of a person as its Managing or whole-time Director who *Certain persons appointed.*
- (a) is an discharged insolvent, or has at any time been adjudged as insolvent;
  - (b) suspends, or has at any time suspended payment to his creditors, or makes, or has at any time made a composition with them; or
  - (c) is, or has, at any time been convicted by a Court of an offence involving moral turpitude.
146. A Managing Director shall not while he continues to hold that office be subject to the retirement by rotation, in accordance with Article 129. If he ceases to hold the office of Director, he shall ipso facto and immediately cease to be a Managing Director. *Managing Director Special position of Managing Director.*

#### **PROCEEDINGS OF THE BOARD OF DIRECTORS**

147. The Directors may meet together as a Board for the despatch of business from time to time, and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit. *Meetings of Directors.*
148. Notice of every meeting of the Board shall be given in writing to every Director for the time being in India, and at his usual address in India; to every other Director. *Notice of Meeting.*
149. The Secretary shall, as and when directed by the Directors to do so convene a, meeting of the Board by giving a notice in writing to every other Director. *When meeting to be convened.*
150. The Board shall appoint a Chairman of its meetings and determine the period for which he is to hold office. If no Chairman is appointed, or if at any meeting of the Board the Chairman is not present within five minutes after the time appointed, for holding the same, the Directors present shall choose some one of their member to be the chairman of such meeting. *Chairman*
151. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of the Section 287 of the Act. If a quorum shall not be present within fifteen minutes from the time appointed for holding a meeting of the Board it shall be adjourned until such date and time as the Chairman of the Board shall appoint. *Quorum.*

152. A meeting of the Board of which a quorum be present shall be competent to exercise all or any of the authorities, powers and discretions by or under these Articles for the time being vested in or exercisable by the Board. *Exercise of powers to be valid in meetings where quorum is present.*
153. Subject to the provisions of Sections 316, 327(4) and 386 of the Act, questions arising at any meeting shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote. *Matter to be decided on majority of votes.*
154. The Board may subject to the provisions of the Act, from time to time and at any time delegate any of its powers to a committee consisting of such Director or Directors as it thinks fit, and may from time to time revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulation that may from time to time be imposed upon it by the Board. *Power to appoint committee and a delegate.*
155. The meetings and the proceedings of any such Committee consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Board so far as the same are applicable thereto, and are not superseded by any regulations made by the Board under the Article 149. *Proceeding of committee.*
156. Save in those case where a resolution is required by Sections 262, 292,297,316,372(4) and 386 of the Act, to be passed at a meeting of the Board, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be, duly called and constituted, if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors, or to all the members of the Committee of the Board, as the case may be, then in India (not being less in number than the quorum fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors, or members of the Committee, at their usual address in India, and has been approved by such of them as are then in India, or by a majority of them as are entitled to vote on the resolution. *Resolution without Board Meeting.*
157. All acts done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated; provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have been terminated. *Acts of Board Committee valid notwithstanding formal appointment.*

158.(1) The Company shall cause minutes of all proceedings of every meeting of the Board and Committee thereof to be kept by making within thirty days of the conclusion of every such meeting entries thereof in the books kept for that purpose with their pages consecutively numbered. *Minutes of proceedings of meeting of Board.*

(2) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting.

(3) In no case shall the minutes of proceedings of a meeting be attached to any such book as aforesaid by a pasting or otherwise.

(4) The minutes of each meeting shall contain a fair and correct summery of the proceedings thereat.

(5) All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meetings.

(6) The minutes shall also contain.

(a) the names of the Directors present at the meeting; and

(b) In the case of each resolution passed at the meeting the names of the Directors, if any, dissenting from or not concurring in the resolution.

(7) Nothing contained in sub-clause (1) to (6) shall be deemed to require the inclusion in any such minutes of any matter which, in the opinion of the Chairman of the meeting:

(a) is, or could resonably be regarded as defamatory of any person.

(b) is irrelevant or immaterial to the proceedings; or

(c) is detrimental to the interest of the Company.

The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this sub-clause.

(8) Minutes of meetings kept in accordance with the aforesaid provisions shall be evidence of the proceedings recorded therein.

159. The Board may exercise all such powers of the Company and do all such acts, and things as are not, by the Act, or any other Act, or by the Memorandum, or by the Articles of the Company, required to be exercised by the Company in General Meeting subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting but no regulations made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made. Provided that the Board shall not, except with the consent of the Company in General Meeting:

*Power of Director.*

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

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

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

(d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid up capital of the Company and its free reserves - that is to say, reserve not set apart for any specific purpose. Provided further that the powers specified in Section 292 of the Act shall, subject to these Articles, be exercised only at meetings of the Board, unless the same be delegated to the extent there in stated; or

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

160. Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers; that is to say, power

*Absolute powers of Board in certain cases.*

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

(2) To pay any charge to the capital account of the Company and Commission or interest lawfully payable thereabout under the provisions of Sections 76 and 208 of the Act.

(3) Subject to Sections 292 and 297 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in

any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;

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

(5) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the firm being or in such manner as they may think fit;

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

(7) To appoint any person to accept and hold in trust for the Company and property belonging to the Company, in which it is interested, or for any other purposes; and execute such deeds and do all such things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees;

(8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due, and of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and, perform any awards made thereon;

(9) To act on behalf of the Company in all matters relating to bankrupts and insolvents;

(10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.

(11) Subject to the provisions of Sections 292, 295, 370 and 372 of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being shares of this Company), or without security and in such manner as they think fit, and from time to time to vary the size of such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name;

(12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability' whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon.

(13) To determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividends, warrants, releases, contracts and documents and to give the necessary authority for such purpose;

(14) To distribute by way of bonus amongst the staff of the Company, share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any

particular business or transaction; and to charge such bonus or commission as part of the working expenses of the Company;

(15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons by building or contributing to the building of houses, dwellings or by grants of money, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions; funds or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit; and to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise;

(16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund, or as a Reserve Fund, or Sinking fund, or any Special Fund to meet contingencies or to repay Debentures or Debenture stock, or for special dividends or for equalized dividends or for repairing, improving, extending and maintaining any of the property of the Company for such other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section. 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested upon such investments.(other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of any apply and expand all or any part thereof for the benefit of the Company, in such manner and for such purpose as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or. Any part thereof, may be matters to or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special Funds as the Board may think fit, with. Full power to transfer the whole ,or any portion of a Reserve Fund or division of a Reserve Fund to another Reserve Fund or division, of a Reserve Fund and with full power to employ the assets constituting all or any of the above Funds, including the Depreciation Fund, in the business of the Company or in the purchase or repayment of Debentures or debenture-stock, and without being bound to keep the same, separate from the other assets ,and without being bound to pay interest on the same with power, however, to the Board at their discretion to pay or allow to the credit-of such funds interest at such rate as the Board may think proper.

(17) Subject to the provisions of the Act to appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisor, clerks, agents and servants of permanent, temporary or special services as they may for time to time think fit, and to determine their powers and duties and fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. Also, from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India, or elsewhere in such manner as they think fit;

and the provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.

(18) To comply with the requirements of any local law which in their opinion it shall, in the interest of the Company, be necessary or expedient of comply with;

(19) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to the members of such Local Boards and to fix their remuneration;

(20) Subject to Section 292 & 293 of the Act, from time to time and at any time, delegate to any person so appointed any of the powers, authorities and discretion for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys, and to authorise the Members for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.

(21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these presents and excluding the powers to make calls and excluding also, except in their limits authorised by the Board, the power to make loans and borrow moneys) 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 Local Board, established as aforesaid or in favour of any company, or the share holders, directors, nominees or managers of any company, or firm or otherwise in favour of any fluctuating body of persons whether nominated directly by the Board and any such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such attorneys as the Board may think fit and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them;

(22) Subject to Sections 294, 294A, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such contracts, and to execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient;

(23) Subject to the provisions of Companies Act, 1956, the Board may pay such remuneration to Chairman/Vice Chairman of the Board upon such conditions as they may think fit.

#### **THE SECRETARY**

161. The Directors may from time to time appoint, and at their discretion, remove the Secretary provided that where the Board comprises only three Directors, neither of them shall be the Secretary. The Secretary appointed by the directors pursuant to this Article shall be a whole-time Secretary. The Directors may also at any time appoint some person, who need not be Secretary, to keep the registers required to be kept by the Company.

*Secretary*

## THE SEAL

162. (a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. *The seal its custody and use.*
- (b) The Company shall also be at liberty to have an official Seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.

163. Every Deed or other instrument, to which the seal of the Company is required' to be affixed, shall unless the same is executed by a duly constituted attorney, be signed by two Directors or one Director and Secretary or some other person appointed by the Board for the purpose, provided that in respect of the Share Certificate, the Seal shall be affixed in accordance with the Article 19(a).

## DIVIDENDS

164. The profits of the Company, subject to any special rights relating thereto created or authorized to be created by these Articles, and subject to the provisions of these Articles shall be divisible among the members in proportion to the amount of capital paid-up on the shares held by them respectively. *Division of profits.*
165. The Company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividend shall exceed thee amount recommended by the Board, but the company in general meeting may declare a smaller dividend. *The company in general meeting may declare a dividend.*
166. No dividend shall be declared or paid otherwise than out of the profits of the financial year arrived at after providing for depreciation in accordance, with the provisions of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both, provided that;
- (a) if the Company has not provided for depreciation for any previous financial year or years, it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or years.
- (b) if the Company has incurred any loss in any previous financial year or years, the amount of the loss or any amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the company for the year for which the dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at in both cases after providing for depreciation in accordance with the provisions of sub-section (2) of Section 205 of the Act, or against both. *Dividend only to be paid out of profits.*
167. The Board may, from time to time, pay to the Members such interim dividend as in their judgment, the position of the Company justifies. *Interim Dividend.*
168. Where capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participate in profits. *Calls in advance not to carry rights to participate in profits.*
169. All dividends shall be apportioned and paid proportionately to the *Payment of pro*

- amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid, but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly. *rata dividend.*
170. The Board may retain the dividends payable upon shares in respect of which any person is under the Article 60 entitled to become a member or which any person under that Article is entitled to transfer; until such a person shall become a member, in respect of such shares or duly transfer the same. *Dividend to be kept in abeyance.*
171. Anyone of several person who are registered as joint-holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares. *Receipts for dividends.*
172. No member shall be entitled to receive payments of any interest or dividend in respect of his share or shares, while any money may be due or owing from him to the Company in respect of such share or shares or otherwise howsoever, either alone or jointly with any other person or persons and the Board may deduct from the interest or dividend payable to any member all sums of money so due from him to the Company. *Deduction of money owed to the company.*
173. A transfer of share shall not pass the right to any dividend declared thereon before the registration of the transfer. *Rights to dividend where shares transferred*
174. Unless otherwise directed, any dividend may be paid by cheque or warrant or by a pay-slip or receipt having the force of a cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holdings. Every such cheque or Warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or Warrant or pay-slip or receipt lost in transmission, or for any dividend lost to the member of person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature of any pay-slip or receipt or the fraudulent recovery of the dividend by any other means. *Manner of paying dividend.*
175. No unclaimed dividend shall be forfeited by the Board unless the claim thereto becomes barred by law and the company shall comply with the provision of Sections.205A and 205C of the Act in respect of all unclaimed or unpaid dividends. *Non forfeiture of unclaimed dividend.*
176. Any General Meeting declaring a dividend may, on the recommendation of the Directors, 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 and the dividend may, if so arranged between the Company and the member, be set off against the calls. *Dividend may be set off against calls.*
177. Where the company has declared a dividend but which has not been paid or dividend warrant in respect thereof has not been posted within 42 days from the date of declaration to any shareholder entitled to the payment of the dividend, the company shall with in 7 days from the date of the expiry of said period of 42 days open a special A/C in that behalf in any scheduled bank called "Unpaid dividend of ABC Limited" and transfer to the said account the total amount of unpaid dividend or where no dividend warrant has been posted. Any money transferred to

the unpaid dividend account of the Company which remains unpaid/unclaimed for a period of 3 year from the date of such transfer, shall be transferred by the Company to the General Revenue A/C of the Central Govt.

A claim to any money so transferred to the general revenue account may be preferred to the central govt. by the shareholders to whom the money is due.

No unclaimed/ unpaid dividend shall be forfeited by the board

### **CAPITALISATION OF RESERVES**

178. Any General Meeting may resolve that any moneys, investments, or other assets forming part of undivided profits of the Company standing to the credit of the Reserves, or any Capital Redemption Reserve Fund, in the hands of the company and available for dividend or representing premiums received on the issue of shares and standing to the credit of the Share Premium Account be capitalised and distributed amongst such of the members as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such members in paying up in full any un-issued shares, debentures, or debenture-stock of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued shares, and that such distribution or payment shall be accepted by such members in full satisfaction of their interest in the said capitalised sum. Provided that any sum standing to the credit of a Share Premium Account or a Capital Redemption Reserve Fund may, for the purposes of this Article, only be applied in the paying up of un-issued shares to be issued to members of the Company as fully paid bonus shares. *Issue of Bonus Shares.*
179. A General Meeting may resolve that any surplus money arising from the realisation of any capital asset of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital. *Utilization of undistributed capital profits.*
180. For the purpose of giving effect to any resolution under the two last preceding articles hereof the Board may settle any difficulty which may arise in regard the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value of distribution of any specific assets, and may determine that cash payment shall be made to any members upon the footing of the value so fixed in order to adjust the rights of all parties and may vest such cash or specific assets in trustees upon such trusts for the persons entitled to the Board. Where requisite, a proper contract shall be filed in accordance with Section 75 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividend or capital fund, and such appointment shall be effective. *Resolving issues of fractional certificates.*

## ACCOUNTS

181. (1) The company shall keep at the office or at such other place in India as the Board thinks fit, proper Books of Account in accordance with Section 209 of the Act, with respect to *Directors to keep true accounts.*
- (a) all the sums of moneys received and expended by the Company and the matters in respect of which the receipts and expenditure take place.
- (b) all sales and purchases of goods by the Company.
- (c) the Assets and liabilities of the Company.
- (2) Where the Board decides to keep all or any of the Books of Account at any place other than the office of the Company the Company shall within seven days of the decision file with the Registrar a notice in writing giving, the full address of that other place.
- (3) The Company shall preserve in good order the Books of Account relating to the period of not less than eight years preceding the current year together with the vouchers relevant to any entry in such Books of Account.
- (4) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarized returns made up to date at intervals of not more than three months are sent by the branch office to the Company at its offices at other place in India, at which the Company's Books of Account are kept as aforesaid.
- (5) The Books of Account shall give a true and fair view of the state of affairs of the Company or branch office, as the case may be, and explain its transaction. The Books of Account and other books and papers shall be open to inspection by any Directors during business hours.
182. The Board shall from time to time determine whether and to what extent and at what times and place and under what conditions are regulations the accounts and books of the Company or any of them shall be open to the inspection of members not being Directors, and no person (not being a member) shall have any right of inspecting any account or books or document of the Company except as conferred by law or authorised by the Board. *Places of keeping accounts.*
183. The Directors shall from time to time, in accordance with Sections 210, 211, 212, 215, 216 and 217 of the Act, cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheets, Profit and Loss Account and Reports as are required by these Sections. *Laying of accounts before Annual General Meeting.*
184. A copy of every such Profit and Loss Account and Balance Sheet (including the Auditors' Report and every other document required by law to be annexed or attached to the Balance Sheet), shall at least twenty-one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company, to holders of debentures issued by the Company (not being debentures which ex facie are payable to the bearer thereof); to trustees for the holders of such debentures and to all persons entitled to receive notice of General Meeting of the Company. *Accounts when to be sent.*

## AUDIT

185. Auditors shall be appointed and their rights and duties regulated in *Accounts to be*

accordance with Sections 224 to 233 of the Act.

*audited*

186. The First Auditor or Auditors of the Company shall be appointed by the Board within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the First Annual General Meeting provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the company not less than fourteen days before the date of the Meeting provided further that if the Board fails to exercise its powers under this Article, the Company in General Meeting may appoint the first Auditor or Auditors.

*First auditor or auditors.*

The aforesaid provisions shall mutatis mutandis apply to any Secretarial Auditor appointed under the relevant provisions of the Act.

*Secretarial auditor.*

### **DOCUMENTS AND NOTICES**

187. (1) A document or notice may be served or given by the Company on any member either personally or sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, in India supplied by him to the Company for serving documents or notices on him.

*Service of documents and notice.*

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

188. A document or notice advertised in a newspaper circulating in the neighborhood of the Office shall be deemed to be duly served or sent on the day on which the advertisement appears to every member who has no registered address in India and has not supplied to the Company an address within India for serving of documents on or the sending of notices to him.

*Newspaper advertisement of notice to be deemed duly served.*

189. A document or notice may be served or given by the Company on or given to the joint-holders of a share by serving or giving the document or notice on or to the joint-holders named first in the Register of Members in respect of the share.

*Notice to whom served.*

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

*Notice to be served to representatives*

191. Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore on or to (a) every member (b) every person entitled to a share in consequence of the death or insolvency of a member, and (c) the Auditor for the time being of the Company. *Service of notice of General Meetings.*
192. Every person who, by operation of law, transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of such shares, previously to his name and address being entered on the Register of Members, shall have been duly served on or given to the person from whom he derives his title to such shares. *Members bound by notice.*
193. Any document or notice to be served or given by the Company may be signed by a Director or some person duly authorised by the Board of Directors for such purpose and the signatures thereto may be written, printed or lithographed. *Document or notice to be signed.*
194. All documents or notices to be served or given by members on or to the Company or any office thereof shall be served or given by sending it to the Company or Officer at the Office by post under a certificate of posting or by registered post, or by leaving it at the office. *Notice to be served by post*

#### **WINDING UP**

195. The Liquidator on any winding-up (whether voluntary, under supervision or compulsory) may, with the sanction of a Special Resolution but subject to the rights attached to any preference share capital, divide among the contributories in specie 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 as the Liquidator, with the like sanction shall think fit. *Liquidators powers*

#### **INDEMNITY AND RESPONSIBILITY**

196. Every Officer or Agent for the time being of the Company shall be indemnified out of the assets of the Company against all liability incurred by him in defending any proceeding, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged or in connection with any application under Section 633 of Act, in which relief is granted to him by the Court. *Person when to be indemnified by the company.*

#### **SECRECY**

197. Subject to the provisions of these Articles and the Act no member, or other person (not being a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties of the Company without the permission of the Directors 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 or a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Directors will be inexpedient in the interest of the Company to communicate. *No member to enter the premises of the company without permission.*

We the persons whose Names and Addresses are hereunder subscribed are desirous of being formed into a company in pursuance of this memorandum of Association and we agree to take the number of shares in the capital of the Company set opposite our names.

	Name, address, description of occupation of each Subscriber	Signature Of Subscriber	Signature of Witness and his name, address, description and occupation
1	Punamchand Malu s/o.Ramlal Malu 1249, Neelkamal C.A.Road, Nagpur Occu. : Business	Sd/-	Sd/- Ashok Ramani s/o Shri Kimatrai Ramani Chartered Accountants Abhankar Road, Sitabuildi. NAGPUR – 440 012.
2	Bhanwarlal Malu s/o. Madanlal Malu Kamla Sadan, Dharaskar Road, Gandhibag, NAGPUR Occu.: Business	Sd/-	Witness to all
3	Damodarlal Malu S/o Ramlal Malu 1249, Neelkamal C.A.Road, Nagpur Occu. : Business	Sd/-	
4	Banwarilal Malu s/o Bhanwarlal Malu Kamla Sadan, Dharaskar Road, Gandhibag, NAGPUR	Sd/-	
5	Purushottam Malu s/o Ramlal Malu 1249, Neelkamal C.A.Road, Nagpur Occu. : Business	Sd/-	
6	Vasudeo Malu s/o Bhanwarlal Malu Kamla Sadan, Dharaskar Road, Gandhibag, NAGPUR	Sd/-	
7	Ghasiram Malu s/o Jhmarlal Malu 1249, Neelkamal C.A.Road, Nagpur Occu. : Business	Sd/-	

Dated 28<sup>th</sup> December 1993 at Nagpur