

---

---

MEMORANDUM OF ASSOCIATION  
AND  
ARTICLES OF ASSOCIATION  
OF

**HARIYANA SHIP-BREAKERS LIMITED**

---

---

CERTIFIED TRUE COPY

For HARIYANA SHIP BREAKERS LTD.

*Manish Kumar*

Director/Authorise

The Companies Act, 2013  
A Company Limited by Shares  
ARTICLES OF ASSOCIATION  
OF



# HARIYANA SHIP BREAKERS LIMITED

## TABLE 'F' EXCLUDED

- 1 The regulations contained in Table F in the Schedule I to the Companies Act, 2013 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles or by the Act. Table 'F' not to apply

## INTERPRETATION

- 2(1) The marginal notes hereto shall not affect the construction hereof in these presents, unless there be something in the subject or context inconsistent therewith. Marginal Notes
- 2(2) In these regulations- Interpretation
- a "Act" means the Companies Act, 2013 or any statutory modification or re-enactment thereof for the time being in force and the term shall be deemed to refer to the applicable section thereof which is relatable to the relevant Article in which the said term appears in these Articles and any previous company law, so far as may be applicable. "Act"
- b "The Article" or "Articles" means these Articles of Association of the Company, including the amendments made from time to time. "The Article" or "Articles"

No. 11-24774

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

In the matter of **HARIYANA SHIP-BREAKERS PRIVATE LIMITED**

I do hereby certify that pursuant to the provisions of section 23 of Companies Act, 1956 and Special Resolution passed by the Company at its /Extra-Ordinary General Meeting on the 23RD APRIL, 1994

the name of "HARIYANA  
**SHIP-BREAKERS PRIVATE LIMITED**  
has this day been changed to "HARIYANA SHIP-BREAKERS  
**LIMITED**

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

Dated this THIRTIETH day of AUGUST  
One thousand nine hundred and ninety four.



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



Form I. R.

## Certificate of Incorporation

No. 24774 of 1981

I HEREBY CERTIFY THAT HARIYANA SHIP-BREAKERS PRIVATE LIMITED IS THIS DAY INCORPORATED UNDER THE COMPANIES ACT, 1956 (NO. 1 OF 1956) AND THAT THE COMPANY IS LIMITED.

GIVEN UNDER MY HAND AT BOMBAY, THIS NINTH DAY OF JULY, ONE THOUSAND NINE HUNDRED AND EIGHTY ONE.



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

**THE COMPANIES ACT, 1956**  
**COMPANY LIMITED BY SHARES**  
**MEMORANDUM OF ASSOCIATION**  
**OF**

**HARIYANA SHIP BREAKERS LIMITED**

- I. The name of Company is HARIYANA SHIP BREAKERS LIMITED.
- II. The Registered Office of the Company shall 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 IN ITS INCORPORATION ARE :**

1. To carry on the business of ship-breakers and for the purpose buy, sell, manufacture, dismantle, re-build dispose of ships vessels, barges, tankers, trawlers, drifters, tugs, engines, tackle, gear and equipments, and to purchase, sell, dispose off, import, export, deal in machineries, steel, steel scrap, spares, equipments, metal, strips, sheet, plates, wires, rods, wood and other materials resulting from ship-breaking operations and to act as commission agents and scrap dealers in relation to the same.

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

2. To set up steel furnaces and continuous casting and rolling mill plant, to convert, re-roll, steel scrap, metal and other materials resulting from ship-breaking operations into steel ingots, billets, flats, angles, rounds, squares, hexagons, octagons, rails, joints, channels, steel strips, sheet plates, deformed bars, plain and cold twisted bars, bright bars, shafting and steel structurals.
3. To maintain work-shop, structural shop, engineering shop to carry out ship-breaking operations and to act as electrical, mechanical and/or general engineers.
4. To engage experts and remunerate them specialised in ship-breaking operations.
5. To undertake and carry out investigations, statistical and technical markets surveys of ships and collect and disseminate informations relating to ships.
6. To acquire and undertake the whole or part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the business which this Company is authorised to carry on and as part of consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company or to acquire an interest in and amalgamate for sharing profits or for co-operation or for limiting competition for mutual assistance with any such person, firm or company and to give or accept by way of consideration for any of the acts or things aforesaid or property acquired any shares, debenture-stock or securities that may be agreed upon and to hold and retain or sell, mortgage and deal with any shares, debenture-stocks or securities so received.

7. To apply for and get registration from Government of India, State Government, Foreign Government, required to carry on ship-breaking operations.
8. To undertake and execute for the purpose of the Company any contract for work involving supply or use of machinery, materials or articles for repairing, reconstructing or building of ships and to enter into collaboration with machinery manufacturers both within or outside India and also to enter into collaboration agreement with similar and allied concerns.
9. To accept stock or shares in or debentures, mortgage, debentures or other securities of any other company in payment or part payment for any services rendered or for any sale made to or debt owing from any such company.
10. To guarantee the issue or the payment of interest on the shares or debenture-stock or other securities or obligations of any other company engaged in the similar business.
11. To act as an consultant and adviser in ship-breaking matters.
12. To carry on business of manufacturing, importing, exporting distributing, buying and selling and otherwise dealing in all kinds of pipe, fittings, hand tools and hardware goods.
13. To erect, maintain, construct, alter, take on hire, lease or otherwise acquire or maintain necessary laboratories and factories, shops or godowns for the manufacture, production and sale of the aforesaid articles and goods.
14. To produce steel bricks and rails from steel scrap and cast iron scrap.
15. Generally to acquire by purchase, lease or otherwise, for the purposes of the Company any real or personal property, rights, or privileges, and in particular any land, building, rights of way, easement, licences, concessions and privileges, patent, patent rights, machinery, rolling stock, plant, accessories and stock-in-trade.
16. To carry on business on its own account or on account of the constituents, as buyers, sellers, importers, exporters, agents, dealers, or as collectors, manufacturers, of all or any of the goods and things in which the Company is authorised to deal.
17. To acquire from time to time and to manufacture and deal in all such stock-in-trade, goods, chattel and effects as may be necessary or convenient for any business for the time being carried on by the Company.
18. To carry on any other business which may seem to the Company to be capable of being conveniently carried on in connection with the above or calculated directly to enhance the value of or render profitable any of the Company's property or rights.
19. To buy, purchase, sell, lease, take on lease, exchange or otherwise acquire lands, buildings, flats, and hereditaments of any tenure or description in India or elsewhere whether or residential, business, manufacturing or other purposes and any rights easements, advantages and privileges relating thereto and either for investment or re-sale or for trafficking in the same and to turn the same into account as may seem expedient and to construct, alter, improve, decorate, develop, furnish and maintain offices, flats houses, factories, warehouses, godowns, shops, buildings and other structures, works and conveniences of all kinds on any of the lands or immovable properties purchased or acquired by the Company and to lease, sell, deal, in or to otherwise dispose of the same.
20. To build, construct, alter, maintain, enlarge, pull down, remove or replace, and to work, manage and control any buildings, offices, factories, mills, shops, machinery, engines, roads, ways, branches or sidings, bridges, reservoirs, warehouses, wharves, electric works and other works and conveniences, which may seem calculated directly or indirectly to advance the interests of the Company and to join with any other person or company in doing any of the aforesaid things.
21. Subject to the directions of Reserve Bank of India in this behalf to borrow or raise moneys or loans 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 debentures or by debenture-stock, perpetual or otherwise, charged upon all or any of the Company's property and assets, both present and future, movable and immovable, including its uncalled capital, upon such terms as the Directors may deem expedient or in such other manner, or to take money on deposit or otherwise (merely for the purpose of financing the business of the Company) with or without allowance of interest thereon and to lend money to customers and others having dealing with the Company and to guarantee the performance of contracts by any such persons and to execute all deeds, writings and assurances for any of the aforesaid, purposes.

22. To establish laboratories for the control of the quality of raw materials, intermediates and finished products and to carry out research and investigations to process, improve and invent new and better techniques and methods of making products of steel and alloy steel ingots, steel and alloy steel billets, and all kinds and sizes of re-rolled sections.
23. To establish, provide, maintain and conduct, or otherwise subsidise research laboratories and experimental work-shops for scientific and technical research and experiments, undertake and carry on scientific and technical researches, experiments and tests of all kinds, to promote studies and researches, both scientific and technical, investigations and inventions by providing, subsidising, endowing or assisting laboratories, work-shops libraries, lectures, meetings and conferences and by providing or contributing to the remuneration of scientific or technical professors or teachers and by providing or contributing to the awards of scholarships, prizes, grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any business which the Company is authorised to carry on.
24. To apply for and acquire permits, licences and quota rights from the Government of India or from State Governments or from Foreign Governments to import and export plant, equipment, spare parts thereof, machinery, raw materials, intermediates, finished products and processing materials connected with the manufacturing and selling of the products of the Company.
25. To open current, fixed, overdraft or other accounts with any Bank, Bankers, shroff or merchant and to pay into and to draw moneys from such accounts.
26. To advance and lend moneys on such security as may be thought proper or without taking any security therefor.
27. To invest the funds of the Company from time to time in such assets, properties, securities, shares, bullion, specie or investments or otherwise as may from time to time be determined by the Directors and from time to time sell or vary all such investments and to execute all assignments, transfers, receipts, and documents that may be necessary in that behalf.
28. Upon any issue of shares, debentures, or any other securities of the Company, to employ brokers, commissions agents and underwriters, and to provide for the remuneration of such persons for their services by payment in cash or issue of shares, debentures, or other securities of the Company, by the granting of options to take the same or in any other manner allowed by law.
29. To enter into partnership or into any arrangements for sharing profits, union of interests, co-operation, joint-venture, reciprocal concession or otherwise, or collaborate with any person or company, carrying on or engaged in, any business or transaction, either in India or abroad, which this Company is authorised to carry on or engage in or any business or transaction, capable of being conducted so as directly or indirectly to benefit the Company.
30. To act in conjunction with, unite or amalgamate with, create or constitute or assist in creating or constituting any other company or association of a kind similar wholly or partially to this Company for the purpose of acquiring all or any of the properties, rights and liabilities of the Company, and to buy up or absorb all or any part of the business or property of any such company or association and to acquire and secure memberships, seat or privilege in and of any association, exchange, market or institution in India or in any part of the world.
31. To enter into any arrangements with any Government or authorities, municipal, local or otherwise, or any persons or company in India or abroad, that may seem conducive to the objects of the Company or any of them and to obtain from any such Government, authority, persons or company, any rights, privileges, charters, contracts, licences and concessions including in particular rights in respect of waters, water-ways, power supply, road and highways, which the Company may think it desirable and to carry out, exercise and comply therewith.
32. To apply for and take out, purchase or otherwise by way of licence or otherwise any patents, patent rights of inventions, trade mark rights, copyrights or secret processes or technical aid or "know-how" which may be useful for the Company's objects and to grant licences to use the same.
33. To act as buying and selling agents of any company, and to do and perform wholly or partly the several duties, services and offices which the buying and selling agents of any company usually do and perform and to undertake and to become bound by conditions of any agreement entered into for any purpose.

34. To alter, manage, develop, exchange, lease, mortgage, underlet, sell, give in gifts or otherwise dispose of, improve or deal with the land, property, assets and rights and resources and undertaking of the Company or any part thereof for such considerations as the company may think fit and in particular for shares, debentures or securities of any other Company having objects altogether or in part similar to those of this Company and to distribute among the members in cash or in specie any property or assets of the Company, provided that no such distribution amounts to reduction of share capital except in accordance with the provisions of the Companies Act in this behalf.
35. To pay all costs, charges and expenses incurred or sustained in or about the promotion and establishment of the Company or which the Company shall construe to be preliminary, including therein the costs of advertising, commission for underwriting, brokerage, printing and stationery and the expenses attended upon the formation of agencies and local boards.
36. To procure the incorporation, registration, or other recognition of the Company in any part of the world, and to establish and regulate agencies for the purposes of the Company's business and to apply or join in applying to Government, local municipal or other authority or body for concessions, orders, rights or privileges that may seem conducive to the Company's objects or any of them and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
37. To provide for welfare of the Directors or ex-Directors or the employees or ex-employees of the Company, and the wives, widows and families of such persons, by building or by contributing to the building of houses, dwelling houses, chawls, or by grant of money, pensions, allowances, bonus or other payments or by creating and from time to time subscribing to provident and other funds and providing or subscribing towards schools, places of instruction and recreation and hospitals, dispensaries, medical and other attendance and other assistance as the Company shall think fit, and to form, subscribe to or otherwise aid benevolent, religious, scientific, national, public or other institutions or objects or purposes.
38. To sell, dispose of or transfer the business, property and undertaking of the Company or any part thereof for any consideration which the Company may deem fit to accept and in particular for shares, debentures, debentures-stock, bonds or securities of any other company or companies for the purpose of its or their acquiring all or any of the property, rights, or liabilities of this Company or for any other purpose which may seem calculated to benefit this Company.
39. To enter into contracts, agreements arrangements with any other company for the carrying out by any such other company on behalf of the Company any of the objects for which the Company is formed.
40. To carry on any business or branch of a business which the Company is authorised to carry on by means, or through the agency of any subsidiary company or companies, and to organise, promote and incorporate such subsidiary company or companies, and to enter into any arrangement with such subsidiary company for taking the profits and bearing the losses of any business or branch so carried on, or for financing any such subsidiary company or guaranteeing its liabilities, or to make any other arrangements which may seem desirable with reference to any business or branch so carried on including power at any time and either temporarily or permanently to close any such branch or business.
41. To appoint or nominate Directors or Managers of any subsidiary company or of any other company in which the Company is or may be interested.
42. To make donations to such persons or institution and in such cases and either in kind or by cash or by any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and in particular to remunerate any person or Corporation introducing business to this Company; and also to subscribe, contribute or otherwise assist or guarantee money for charitable, scientific, literary, religious or benevolent, national, public or other institutions or for any exhibition or for any public, general or other objects and to establish and support or aid in the establishment and support of associations, funds, trusts, and conveniences for the benefit of the employees or ex-employees (including Directors) of the Company or its predecessors in business or of persons having dealings with the Company or the dependents, relatives or connections of such persons and in particular friendly or other benefits societies and to grant pensions, allowances, gratuities, bonuses and other other termination benefits either by way of annual payments or a lumpsums and to make payments towards insurance and to form and contribute to provident, benefit, pension or superannuation funds or for such persons.

43. To refer or agree to refer any claim, demand, dispute or any other question, by or against the Company, or in which the Company is interested or concerned and whether between the Company and any member or members or his or their representatives, or between the Company and third parties, to arbitration in India or in any place outside India, and to observe and perform and to do all acts, deeds, matters, and things to carry out or enforce any award.
44. To pay all preliminary expenses of any Company promoted by the Company or any Company in which this Company is or may contemplate being interested including any such preliminary expenses or any part of the costs and expenses of the owners of any business or property acquired by the Company.
45. To adopt such means of making known the business of the Company as may seem expedient, and in particular by advertising in the press, radio, television, or other media, by circulars, by purchase and exhibition of works of art, by publication of books and periodicals, and by granting prizes, rewards and donations.
46. To take or hold mortgages, lien and charges to secure the payment of the purchase price or any unpaid balance of the purchase price or any part of the Company's property of whatsoever kind sold by the Company, or any money due to the Company from purchasers, customers and others.
47. To insure the whole or any part of the property of the Company either fully or partially, to protect and indemnify the Company from liability or loss in any respect either fully or partially.
48. To take part in the management, supervision and control of the business or operation of any company or undertaking and for that purpose to appoint and remunerate any Directors, trustees, accountants or other experts or agents.
49. To engage in research into all problems, relating to personnel and industrial and business management and distribution, marketing and selling, to collect prepare and distribute information and statistics relating to any type of business or industry and to promote or propose such methods, procedures and measures as may be considered desirable or beneficial for all or any of the Company's objects.
50. To purchase or otherwise acquire and undertake all or any part of the business, property, liabilities and transactions of any person or company carrying on any business which the Company is authorised to carry on or possessed of property suitable for the purposes of the Company.
51. To guarantee or become liable for the payment of money, debentures, debenture-stock, bonds or securities or for the performances of any obligations.
52. To purchase, take on lease or in exchange or otherwise acquire for the purposes of the business of the Company, improve, manage, develop, cultivate, work, sell, exchange, surrender, lease, mortgage, charge, convert, turn to account, dispose of and deal with movable and immovable property and rights and privileges of all kinds and in particular lands, buildings, easements, mortgages, debentures, produce, concessions, options, contracts, patents, licences, machinery, plant, stock-in-trade, business concerns and undertakings and claims, privileges, concessions and chooses in action of all kinds.
53. To pay for any property or rights acquired by the Company either in cash or fully or partly paid-up shares with or without preferred or deferred rights in respect of dividends or repayment of capital or otherwise or by any securities which the Company has power to issue or partly in one mode and partly in another and generally on such terms as the Company may determine.
54. To grant licences or concessions over or in respect of any property or rights of the Company.
55. In the event of winding up, to distribute among the members in specie any property or assets of the Company or any proceeds of sale or disposal of any property of the Company.
56. To create any reserve fund, sinking fund, insurance fund, dividend equalisation fund or any other special fund, whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company or for any other purposes conducive to the interest of the Company.
57. To place, to reserve or to distribute as dividend or bonus among the members or otherwise to apply as the Company may from time to time think fit, any moneys received by way of premium on shares or debentures issued at a premium by the Company and any moneys received in respect of dividends accrued on forfeited shares and moneys arising from the sale by the Company

of forfeited shares or from unclaimed dividend.

58. To do all or any of the things hereby authorised either alone or in conjunction with, or in partnership with any persons, firm or body corporate, or as factors, trustees or agents of any other companies or persons or by or through any factors, trustees or agents.
59. To do all and everything necessary, suitable or proper for the accomplishment of any of the purposes or the attainment of any of the objects or the furtherance of any of the powers herewith set forth, either alone or in association with other corporate bodies, firms or individual, and to do every other act or acts, thing or things incidental or appurtenant to or growing out of or connected with the aforesaid business or powers or any part or parts thereof.

### C. OTHER OBJECTS

60. To carry on in India and elsewhere the trade or business of ironmasters, steel makers, steel converters, manufacturers of ferromanganese, colliery proprietors, coke manufacturers, miners, smelters, engineers, tin plate makers and iron founders, in all their respective branches.
61. To search for, get, work, raise, make merchantable, sell and deal in iron, coal, ironstone, limestone, manganese, ferro-manganese, magnesite, clay, fire-clay, brick, earth, bricks and other metals, minerals and substances, and to manufacture and sell briquettes and other fuel, and generally to undertake and carry on any business, transaction or operation commonly undertaken or carried on by explorers, prospectors or concessionaires and to search for win, work, get, calcine, reduce, amalgamate, dress, refine and prepare for the market any quartz and ore and mineral substances and to buy, sell, manufacture and deal in minerals and mineral products, plant and machinery and other things capable of being used in connection with mining or metallurgical operations required by the workmen and others employed by the Company.
62. TO carry on the business of a waterworks company in all its branches and to sink well and shafts and to make, build and construct, lay down and maintain reservoirs, water-works cisterns, culverts, filterbeds, main and other pipes and appliances, and to execute and do all other works and things necessary or convenient for obtaining, storing, selling, delivering, measuring, distributing and dealing in water.
63. To carry on business as timber merchants, saw-mill proprietors and timber growers, and to buy, sell, grow, prepare for market, manipulate, import, export and deal in timber and wood of all kinds, and to manufacture and deal in articles of all kinds in the manufacture of which timber of wood is used, and to buy, clear, plant and work timber estates.
64. To carry on business as manufacturers of chemicals and manures, distilled dye makers, gas makers, metallurgist, and mechanical engineers, ship owners and charterers, and carriers by land and sea, wharfinger, warehousemen, bargeowners, planters, farmers and sugar merchants and so far as may be deemed expedient the business of general merchants, and to carry on any other business whether manufacturing or otherwise, which may seem to the Company capable of being conveniently carried on in connection with the above, or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights.
65. To construct, purchase, take on lease, or otherwise acquire, any roadways, or other ways, and to equip, maintain, work and develop the same by electricity, steam, oil, gas, petroleum, horse, or any other motive power and to employ the same in the conveyance of passengers, merchandise and goods of every description and to authorise the Government of India, or any local Government or any municipal or local authority, or persons, to use and work the same or any part thereof, and to lease or sell and dispose of the same or any part thereof.
66. To carry on any other business (whether industrial, agricultural, trading, manufacturing or otherwise) which may seem to the Company capable of being conveniently carried on in connection with any of the business, and the Company's objects, calculated directly or indirectly to enhance the value of or render profitable any of the Company's properties or rights and also to acquire, promote, and foster, subsidise or acquire interest in any industry or undertaking.
67. To carry on the business of an investment company or an investment trust company and to undertake and to transact all kinds of trust and agency. To carry on business as financiers and for that purpose to lend or invest money and negotiate loans in any form or manner, to draw, accept, endorse, discount, buy, sell, and deal in bills of exchange, hundies, promissory notes and other negotiable instruments and securities and also to issue on commission, to subscribe for, undertake, acquire and hold, sell and exchange and deal in shares, stocks, bonds or debentures, or securities of any Government or public authority or company, gold, silver, and bullion and to form, promote subsidies and assist companies, syndicates and partnerships of all

kinds to project, promote and to start industries and also to give any guarantee for payment of money or performance of any obligation or undertaking and to undertake and execute any trust and generally to carry on and undertake any business, undertaking, transaction or operation commonly carried on undertaken by capitalists, promoters, financiers and underwriters, industrialists, but not to carry on the business of Banking or insurance within the purview of the Banking Regulations Act, 1949 or the Insurance Act, 1938.

68. To carry on the business as merchants, traders, commission agents, brokers, adatis or in any other capacity in India or elsewhere and to import, export, buy, sell, barter, exchange, pledge, mortgage, advance upon or other wise deal in goods, produce articles and merchandise of any kind.
69. To acquire, by purchase, lease, exchange or otherwise, land, buildings and hereditaments of any tenure or description or any estate or interest or rights over or connected with land so situate and to turn the same to account as may seem expedient and in particular by preparing building sites and by constructing, reconstructing, altering, improving, decorating, furnishing and maintaining office, flats, houses, factories, warehouses, shops, wharves, buildings, works and conveniences of all kinds and by consolidating or subdividing properties.
70. To manage land, buildings and other property whether belonging to the Company or not and to collect rents and income and to supply to tenants and occupiers and others all kinds of services, conveniences, privileges, benefits, advantages and amenities, refreshments, attendance, messengers, light, waiting rooms, reading rooms, meeting rooms, toilet-rooms, toilet, laundry conveniences, electricity conveniences, stables, garages and other advantages.
71. To carry on the business of hotel, restaurant, cafe, tavern, beerhouse, refreshment rooms, and lodging house keepers, licensed victuallers, wine, beer and spirit merchants, importers and manufacturers of aerated, mineral and artificial waters and other drinks, caterers for the public generally, dairymen, ice merchants and proprietors of places of amusement, recreation, sports and entertainment, agents for railway and shipping companies and other businesses which can conveniently be carried on in connection therewith.
72. To carry on the business of public carriers, common carriers, transporters and carriers of passengers, goods, mails, live-stock, mercantile, corn-commodities and other products and luggage of all kinds and description whatsoever in any part of India and elsewhere, on land, water and air by any conveyance whatsoever.
73. To carry on the business of motors, lorries, taxies, cabs, motorcars and cycles, boats, vessels, ships, barges, air-planes, sea-planes, air vessels, monoplanes, aeroplanes of all kinds whatsoever and as transporters of all sorts of passengers and goods by land, air and water and by any vehicle whatsoever.
74. To carry on the business of hotel, restaurant, cafe, motel, holiday camp, caravan site, tavern, beer house, refreshment room and lodging-houses keepers, licensed victuallers, wine beer and spirit merchants, brewers, manufacturers of aerated drinks, mineral and artificial waters, drinks, caterers for the public generally, diarymen, ice merchants, proprietors of places of amusements, recreation, sports and entertainment agents for railway and shipping companies and any other business which can conveniently be carried on in connection therewith.
75. To export and import, (promote export and import, gather information, conduct market research and surveys in and generally assist in the obtaining of information relating to the existence of markets for) all types of commodities, crops, (minerals), raw materials semi and manufactured products, goods and wares, plant, machinery, tools and equipments, all types of fabrics made from natural and artificial fibres or a blend of natural and artificial fibres, garments apparel, food and beverages, canned provisions, (raw cotton and cotton manufactures, raw jute and jute manufactures raw wool and wool manufacture, raw silk and silk manufacturers, textiles made out of natural and artificial fibres or a blend of natural and artificial fibres, handloom or powerloom textiles, cottage industries, ware, cotton waste), tea, coffee, spices, condiments, (minerals and ores, ferrous and non-ferrous metals, metal manufacturers, plastic and manufacturers, acids of all descriptions and their various compounds, whether in their solid or liquid form, diesel, petrol or hybrid engines, pumps, generate, agricultural implements, electric motors, transformers, switch gears, elevators, electrical appliances and their accessories, paper and paper products, all types of machinery and machine tools, dyes, chemicals, colours, paints, varnishes, paint brushes, books and stationery scientific and medical instruments, bicycles, motor cycles, auto scooters, automobiles, trucks and their spare parts, synthetic products, rubber and rubber compound manufacturers, types cords, tubes, typewriters, refrigerators, office furniture, equipment and appliances.

Electronic appliances and apparatus of every description, radio and transistor products, radio and transistor parts and spares, apparatus, all kinds of electrical and electronic apparatus, parts, television apparatus, video and sound cassette and tape recorders and equipment and spare parts, telephone parts, telegraphic parts, jewellery of every description including jewellery made out of gold, silver, platinum and any other precious metal, precious and artificial stones, china curiosities, articles of mortar, coins stamps, medals, watches, including electronic and mechanical, clocks chronometers, optical instruments and substances, things and articles of all types of description to all parts of the world particularly non traditional commodities to non-traditional destinations.

76. To manufacture, brew, distill, process, dehydrate, can, package, grow, cultivate, buy, sell and deal in confectionery, dry and preserved fruits, pickles, juices, vegetables, beer, wines, alcohol and molasses, vinegar, vanaspati, ghee, vegetables oils, processed food products, ice cream, candy milk and milk products, sweets and all other edible produce of water.
77. To provide advisory and consultancy services in various fields including general, administrative, commercial, marketing, financial, legal, economic, labour industrial, public relations, scientific, technical, direct and indirect taxation, statistical quality control data processing services and to act as management, financial and labour consultants.
78. To establish, own, maintain and operate lines of steamers and other ships and vessels and to otherwise employ ships and vessels in the conveyance of passengers, mails, specie, goods, wares and merchandise between any ports through out the word; to carry on the business of shipowners, shipbuilders, shipwrights, ship repairers, charterers of ships or other vessels, warehousemen, wharfinger, shipping agents, managers of ships, ships's contractors, ship and insurance brokers, carriers, by land or water, forwarding agents, importers and exporters, merchants and traders, commission and general financial agents, proprietors of lands, jetties, piers, warehouses, stores, barge and tug owners, lightermen, marine engineers and manufacturers of and dealers in engines, boilers, machinery and other appliances and things used in connection with any of the aforesaid business; to construct, acquire, manage, maintain, alter, charter, operate, hire or lease, sell, exchange or otherwise dispose of all kinds of ships, vessels, barges and boats or shares or interests therein and elevators, sheds, warehouses and buildings, wharves, docks, dry-docks, terminals and generally to carry on all or any of the business of ship-building, ship repairing engineering, elevator, warehousing, navigations, transportation and terminal company, and to manufacture and deal in engines, boilers, machinery and other appliances and things used in connection with any of the aforesaid businesses.
79. To carry on all/any of the businesses of manufacturers, producers, processors, traders, importers, exporters, buyers and dealers and dealers in all kinds of bags, containers and sheets made from paper of all kinds including vegetables, parchment paper, cloth of all kinds and from all other kinds of synthetic and natural materials.
80. To search for, acquire, work and dispose of an deal in any mines, metals, minerals, mineral wax, sealing wax, lead seal, chemicals, clay and other like substances.
81. To carry on the business of general contractors for the construction equipment of public and private works and buildings and of electrical and hydraulic and marine engineers and contractors and any business in which the application of electricity or any other power is or may be useful or convenient.
82. To carry on the business of manufacturing, purchasing, dealing or trading in, selling, distributing, as principals or as agents, whether by wholesale or retail, petroleum and other oils and natural gas, asphalt, ozokerite and hydrocarbons of all kinds and descriptions and all substances derived therefrom or in which they are or may be used.
83. To carry on the business of an exploration, natural resources development and colonization company and generally all business operations of purchase, sale (either by auction or otherwise), exchange, barter ( as principals or commission agents) and exportation and all other commercial, industrial financial and real estate transactions, in India or elsewhere; to conduct, carry on engage in a general fish and sea-foods business, trading in the business of raising, catching buying, selling, holding, freezing, packing, salting, canning, curing, drying and preserving fish and other sea-foods; to conduct on and engage in the traffic or business or business of manufactures, dealers and traders (at wholesale or retail or on commission ) in fish oil, fish manures and other marine products and every other class, kind and description of goods or products.
84. To explore for, search for, drill for, mine, quarry, win, get, dig for, dredge, sink well, raise, crush,

wash, pump, smelt, roast, refine, distill, process, analyse, extract, open, work, develop, improve, operate, reduce, amalgamate, blend, compound, manipulate, compress, absorb, convert, produce, manufacture, maintain, manage, treat and prepare for market, store, tank, warehouse, transport, pipe, convey, import, sell, buy, exchange, distribute, barter and otherwise at and deal in all kinds of oils, vegetables, animals and minerals, natural gas, natural gas products, salt, gold, silver, nickel, copper, iron, steel, manganese, cobalt, coal, coke, platinum, palladium, sodium and minerals, substances and matters of all kinds and chemicals of all kinds and all products, by-products and derivatives of all or any of the foregoing.

85. To acquire by purchase, lease, concession, licence, permit, exchange, gift, grant or otherwise and to obtain own, buy, sell, hold, control, lease, exchange, traffic and deal in lands, mines, mining lands, concessions, easements, claims, seams, veins, beds, wells, channels, sands, mineral deposits, springs and sources of supply of every kind and description containing and producing or believed to contain or to be capable of containing and producing ores, metals and minerals of all kinds, crude petroleum oil and other oils, vegetable, animal and mineral, natural gas, natural products oil, vegetable animal and mineral substance and matters of all kinds and chemicals of all kinds or any one or more of the foregoing.
86. To provide all services including consultancy and contract services relating to pollution control, corrosion, prevention, testing, firefighting, safety, security, waste disposal, port and harbour developments; to generate, develop, extract, manufacture, deal in sell hire or lease as the case may be, energy, food and other products or by products from the sea, harbours, estuaries, river, lakes, dams and other sources through mechanical, hydraulic, physical, chemical or other means or process; and to manufacture, patent, deal in, sell hire or lease all such equipments, devices and processes mentioned in this sub-clause.
87. To carry on business as manufactures, buyers, sellers, dealers, and agents of different varieties of paper such as, writing printing, wrapping, tissue, poster paper, cover paper, newsprint, paper for packing including corrugated and kraft paper, synthetic paper, paper board, card board, coloured paper and board, leather board, mill boards, paste board, pump boards and all varieties of speciality paper and all kinds of pulp whether mechanical, semi-mechanical or chemical including dissolving pulp.
88. To carry on the business of manufacturing and compressing helium nitrogen, acetylene, carbon-di-oxide, sulphuric, carbon acid and all other types of gases and acids, ice, aerating machinery and parts thereof and the business of sellers of and dealers in all machinery, chemicals and other chemicals incidental to the manufacture of such gases and acids, machinery and parts thereof and to transact all preparing processes and mercantile business that may necessary or expedient and to purchase and sell the materials and manufactured articles including gas cylinders and parts thereof.
89. To manufacture, buy sell, let on hire, and deal in empty cylinders, stoves, engines and other apparatus and conveniences which may seem calculated directly or indirectly or promote the consumption of gas.
90. To carry on the business of manufacturers, dealers, importers, exporters, buyers, sellers, merchants, contractors, brokers, commission agents, and moulders of all kinds of plastic, PVC, polypropylene, polystyrene, plasticizer, polythelene and polymers, articles, goods and products of all kinds in the manufacture of which above are used including shoes, pipes and tubes, fitting of all types, conduits and stabilizers.
91. To carry on the business of manufacturers of all kinds of plastic machinery, apparatus, equipment, utensils and any other articles for any purpose whatsoever and to manufacture, sell, supply and deal in such plastic machinery, apparatus, equipment and utensils of all kinds.
92. To search for, get, raise, crush, produce, refine, dress, manufacture, treat, purchase, sell, amalgamate, manipulate, export, import or otherwise deal in cole, coke, hardcoke, cinders, coal tar, pitch, esphatum, ammonia carb, liquor, iron-stone, brick earth, bricks and other metals, minerals and to manufacture and sell, patent fuel and other products.
93. To carry on the business of waterproofs and manufacture of India rubber, leather, imitation leather, cloth, plastic, oil, cloth, linoleum, tarpaulin, hospital sheetings and surgical bandages.
94. To acquire, take over promote, establish and carry on all or any of the business of seed crushers and manufacturers of and dealers in groundnut, gingerly, castor, cotton, mowha, linseed, rape and mustard cakes, oil, extractors by crushing chemical or any other process, cake and oil manufacturers, oil refiners, soap boilers, manufactures of floor cloths and floor covering of every

description, makers and manufactures of cattle food and feeding and fattening preparation of every description, makers and manufacturers of artificial manures and fertilizers of every description, meal manufacturers, grain and seed merchants, flax, cotton, groundnut, gingerly, mowha and castor merchants, cake and corn merchants, millers, flour merchants, biscuit makers, hay, fodder, and straw merchants, nurserymen, manufacturing chemists and druggists, varnish makers, and sterin and olein manufacturers.

95. To buy, sell, manufacture, dye, bleach, print, import, export, or otherwise dealing piece goods, yarns, metals, minerals, hardware, fire works, timbers, gems, Jewellery, plateware, provisions, drains, sanitary-ware, leather goods, electrical goods, accessories and apparatuses, cotton, hemp and other fibres, oils, spices, drugs, chemicals, hides and other goods, commodities, produce, products and merchandise of all other kinds.
96. To carry on business as proprietors and publishers of newspapers, journals, magazines, books and other literary works and undertaking in all languages whether on payment of royalty or not.
97. To manufacture, refine, import, buy, sell and deal in pharmaceutical herbal, bacteriological and biological products and preparations of all kinds, drugs, medicines and chemicals of all description, toilet articles and cosmetics and all substances, apparatus and things capable of being used in connection with such products or required customers dealing with the Company.
98. To carry on business as concessionaires, capitalists and to undertake, carry on and execute any kind of other objects, commercial, trading, trust, exploitation, agency and other operations, and to advance or provide money, with or without security to concessionaires, inventors, patentees and other for the purpose of improving and developing or assisting to improve or develop, any concessions, lands or others or of experimenting, testing or developing any invention, design or process industrial or otherwise.
99. To carry on all or any of the business of manufacturers of and dealers in clothing and wearing apparel of all kinds, tailors, drapers, hosiers, milliners, costumiers, hatters, furries, gloves, silk, cotton cloth, synthetic fabrics and leather merchants, haberdashers and general outfitters, and dry goods merchants, umbrellas and walking sticks, ornaments and other accessories and any other articles, commodities merchandise or other things.
100. To carry on business as manufacturers and dealers and repairer in radios, radiograms, loud speakers, tape-recorders, microphones, telecommunication requisites and supplies, television sets, video tapes and video reproducers, transformers, amplifiers, transmitters, gramophones and records voice and sound reproducers, transformers, amplifying instruments and musical instruments of all kinds, appliances, perforated rolls and other contrivances by means of which sound may be mechanically reproduced.
101. To carry on the business of exporters, importers, merchants, suppliers, distributors and vendors to booksellers, music sellers and to scientific and other institutions of books, periodicals, stationary, medicines, records and cassettes and other articles connected with music.
102. To erect, build, construct, alter, equip, acquire, maintain or replace and to work, manage, control and sell any buildings, factories, sheds, warehouses, work-shop, docks, shipyards, agricultural farms, animal and poultry farms, cold storage plants, stores, dwellings, mills shops, offices, roads, sidings, bridge, water sheds, drains, reservoirs and other works and conveniences which may seem necessary or useful for the purposes of the Company, and to subsidise, contribute to, or otherwise assist or join any other person, Government or authority in carrying out any of the aforesaid things.
103. To develop and turn to account any land acquired by the Company or in which it is interested and in particular by laying on and preparing the same for building purposes, constructing altering, pulling down, decorating, maintaining, fitting up and improving buildings and by planting paving, draining, framing, cultivating and letting buildings on agreement and by advancing money to and entering into contract and arrangement of all kinds with builders and others.
104. To carry on the business of recruiting agents, personnel selection advisers, consultants or agents.
105. To carry on all or any of the business of finance brokers or insurance agents and acting as insurance brokers and agents or underwriters, consultants, assessors, valuers, surveyors, mortgage brokers and undertaking the provision of hire purchase and credit sale finance and of acting as factors and brokers in any line or activity. (Provided that nothing contained herein shall enable the Company to carry on the business of Banking as defined in the Banking Regulation Act, 1949).
106. To carry on the trade or business of manufacturers of and dealers in computers and tabulators of every kind, description and activation, accounting, book-keeping, calculating, counting, reckoning, registering, recording, performing, punching, tabulating, sorting, adding, subtracting, dividing,

multiplying, printing, typewriting, copying, reproducing and distributing, machines and machinery systems, apparatus, appliances and devices, of all kinds and for all kinds for all purposes, and any parts of components thereof or materials or articles used in connection therewith, and any or all other machines, machinery, appliances, apparatus, devices, materials substances, articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.

**AND IT IS HEREBY DECLARED THAT**

- (i) 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 objects of the Company herein mentioned.
- (ii) The word "Company" (save when used with reference to this Company) in this Memorandum shall be deemed to include any partnership or other body or association of persons whether incorporated or not and wherever domiciled.
- (iii) The objects set forth in each of the several clauses of this paragraphs shall have the widest possible construction and shall extend to any part of the world.
- (iv) Subject to the provisions of the Companies Act, 1956, the objects set forth in any clause of subparagraph C above shall be independent and shall be in no way limited or restricted by reference to or inference from the terms of the clauses of sub paragraph A or by the name of the Company. None of the clauses in sub paragraph C or the objects thereby conferred shall be deemed subsidiary or ancillary merely to the objects mentioned in any of the Clauses of sub paragraph A.
- (v) Nothing in this paragraph shall authorise the Company to do business which may come within the purview of the Banking Regulations Act, 1949 or the Insurance Act, 1938.
- IV. The liability of the members is limited.
- V. The Authorised Share Capital of the Company is 5,50,00,000/- (Rupees Five Crores Fifty Lakhs only) divided into 55,00,000 (Fifty Five lakhs) Equity Shares of Rs. 10/- (Rupees Ten Only) each. The Company shall have power to increase, consolidate, sub-divide, reduce, or otherwise alter its share capital, subject to the provisions of the Act.
-

We, the several persons, whose names and addresses are hereunder subscribes below are desirous of being formed into a Company in pursuance of this MEMORANDUM OF ASSOCIATION and we respectively agree to take the number of shares in the capital of the Company, set opposite our respective names :

Names, Addresses, Description and Occupation of the Subscribers	Number of Equity Shares taken by each Subscribers	Signature of subscriber	Signature of Witnesses with addresses and occupation
<p><b>Om Prakash</b> S/o. Shri Ramkumar 191, Persipolice Apartment, Cuffe Parade, Mumbai- 400005.</p> <p>OCC: BUSINESS</p>	<p>1 (ONE) EQUITY SHARE</p>	<p>sd/-</p>	
<p><b>Shanti Swarup</b> S/o. Shri Ramkumar 191, Persipolice Apartment, Cuffe Parade, Mumbai- 400005.</p> <p>OCC: BUSINESS</p>	<p>1 (ONE) EQUITY SHARE</p>	<p>sd/-</p>	<p>Sd/- K. N. Ajmera 2/101, Pavan Baug, Malad (West), Bombay - 400 064.</p>
<p>TOTAL</p>	<p>2 (TWO)</p>		

Bombay dated this 8th day of July, 1981..

**ARTICLES OF ASSOCIATION**  
**OF**  
**HARIYANA SHIP BREAKERS LIMITED**

**I. TABLE 'A' EXCLUDED**

Table 'A' not to apply.

1. The regulations contained in Table 'A' in the First Schedule of the Companies Act, 1956, shall not apply to the Company, except so far as the same are repeated, contained or expressly made applicable in these Articles.

Company governed by these Articles

2. The regulations for the management of the Company and for the observance of the members thereof and their representatives shall, subject to any exercise of the statutory powers of the Company in reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed or permitted by the Companies Act, 1956, be as are contained in these Articles.

**II. INTERPRETATION**

Interpretation clause

3. In the interpretation of these Articles, unless repugnant to the subject or context :-

"The Company" or "this Company".

"The Company" or "This Company" means HARIYANA SHIP BREAKERS LIMITED.

"The Act"

"The Act" or "the said Act" means the Companies Act, 1956, or any statutory modification or re-enactment thereof for the time being in force.

"Auditors".

"Auditors" means and includes those persons appointed as such for the time being by the Company.

"Board" or "Board of Directors".

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

"Capital".

"Capital" means the share capital for the time being raised or authorised to be raised, for the purpose of the Company.

"Debenture".

"Debentures" includes debenture-stock.

"Directors".

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

"Dividend".

"Dividend" include bonus.

"Gender".

Words importing the masculine gender also include the feminine gender.

"In Writing" and "Written".

"In Writing" and "Written" include printing lithography and other modes of representing or reproducing words in a visible form.

**"Member".**

"Member" means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of the Company.

**"Meeting" or "General Meeting".**

"Meeting" or "General Meeting" means a meeting of members.

**"Annual General Meeting"**

"Annual General Meeting" means a general meeting of the members held in accordance with the provisions of Section 166 of the Act and any adjourned holding thereof.

**"Extraordinary General Meeting"**

"Extraordinary General Meeting" means an extraordinary general meeting of the members duly called and constituted and any adjourned holding thereof.

**"Month".**

"Month" means a calendar month.

**"Office".**

"Office" means the registered office for the time being of the Company.

**"Paid-up".**

"Paid-up" includes the credited as paid-up.

**"Persons".**

"Persons" include corporation and firms as well as individuals.

**"Register of Members".**

"Register of members" means the Register of Members to be kept pursuant to the Act.

**"The Registrar".**

"The Registrar" means the Registrar of Companies of the State in which the office of the Company is for the time being situated.

**"Secretary".**

"Secretary" means any individual possessing the qualifications prescribed by the Act appointed to perform the duties which may be performed by a Secretary under the Act and any other ministerial or administrative duties and Acting Secretary.

**"Seal".**

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

**"Share".**

"Share" means share in the share capital of the Company and includes stock except where a distinction between stock and shares is expressed or implied.

**"Singular Number".**

Words incorporating the singular number include, where the context admits or requires, the plural number and vice versa.

**"Ordinary Resolution" and "Special Resolution"**

"Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by section 189 of the Act.

**"Year" and Financial Year".**

"Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by section 2(17) of the Act.

The marginal notes used in these Articles shall not affect the construction thereof.

Save as aforesaid, any words or expressions defined in the Act shall, if not inconsistent with the subject or context bear the same meaning in these Articles.

### III. CAPITAL

#### Capital

4. The authorised capital of the Company is 5,50,00,000 (Rupees Five Crores Fifty Lakhs) divided into 55,00,000 (Fifty Five Lakhs) equity shares of Rs. 10/- (Rupees Ten) each.

#### Power to alter capital

5. The Company shall have power to increase and reduce the capital, and to divide the shares in the capital, into several classes and to attach thereto preferential, qualified or special rights, privileges or conditions, and to vary, modify or abrogate and such rights, privileges or conditions in such manner as may be permitted by the Act or by these Articles.

#### Amount payable on application

6. The amount payable on application for each share of the Company offered for subscription shall not be less than five per cent of the nominal amount of the shares.

#### Allotment of Shares.

7. Subject to the provision of the Act and / or these Articles, the Share of the Company shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions and either at a premium or at par, as they think fit, and may allot and issue shares in the capital of the Company in payment or part payment for any property sold and transferred or for goods or machinery supplied or for services rendered to the Company in the conduct of its business, and any shares which may be so allotted may be issued fully paid up shares and if so issued, shall be deemed to be fully paid shares, as they think fit PROVIDED THAT the option or right to call of shares shall not be given to any persons without the sanction of the Company in General Meeting.

#### Application of premium received on issue of shares.

- 8 (1) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on those shares shall be transferred to an account to be called "the share premium account" and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in this Article, apply as if the share premium account were paid up share capital of the Company.
- (2) The share premium account may, notwithstanding anything in sub-clause (1) above be applied by the Company:
- in paying up unissued shares of the Company to be issued to members of the Company as fully paid up bonus shares;
  - in writing off the preliminary expenses of the Company;
  - in writing off the expenses of, or the commission paid or discount allowed on any issue of shares or debentures of the Company; or
  - In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company.

#### Instalment on shares to be duly paid

9. If by the conditions of allotment of any shares, the whole or part of the amount of the issue price thereof shall be payable by installments, every such instalment shall when due, be paid to the Company by the person who for the time being shall be registered holder of the shares or his legal representatives.

#### Power to pay commission and brokerage

10. (1) The Company may exercise the power of paying commissions conferred by Section 76 of the Act PROVIDED THAT the rate per cent or the amount of the commission to be paid or agreed to be paid shall be such as is permitted by section 76 of the Act and shall be disclosed in the manner required by section 79 of the Act.

(2) The commission may be satisfied by the payment of cash or the allotment of debentures or fully or partly paid shares, or partly in one way and partly in another.

(3) The Company may also, on any issue of shares, pay such brokerage as may be lawful.

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

11. Save as otherwise provided by these Articles or by the Act, the Company shall be entitled to treat the person whose name appears on the Register of the Members as the holder of any shares as the absolute owner thereof, and accordingly shall not (except as ordered by a Court of competent jurisdiction or as by law required) be bound to recognise any benami, trust or equity or equitable, contingent, future or partial or other claim or claims or right to or interest in such shares on the part of any other person, whether or not the Company shall have express or implied notice thereof and the provisions of Section 153 shall apply.

**No purchase of or loans on Company's shares.**

12. Except as provided by Section 77 of the Act, none of the funds of the Company shall be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanctioned in pursuance of Sections 100 to 104 or Section 402 of the Act, or in giving either directly or indirectly, and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person or persons for any shares in the Company or in its holding Company.

**IV. SHARES**

**Shares to be numbered progressively and no share to be sub-divided.**

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

**Acceptance of shares.**

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

**Deposit and Call etc. to be debt payable immediately.**

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

**Liability of members.**

16. Every member, his executors, administrators or other legal representatives 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 Directors shall, from time to time in accordance with these Articles, require of him for the payment thereof.

**V. SHARE CERTIFICATE**

**Certificate of shares.**

17. The certificate of title to shares shall be issued under the seal of the Company and shall be issued, sealed and signed in conformity with the provisions of the Companies (Issue of Share Certificate) Rules, 1960 or any statutory modification or re-enactment thereof for the time being in force. Any two or more joint allottees or owner of the shares shall, for the purpose of this Article, be treated as single member and the Certificate of any shares may be delivered to any one of such joint allottees or owners on behalf of all of them. The Company shall comply with the provision of Section 113 of the Act.

### Members' right to certificate

18. Unless the conditions of issue of any shares, debentures or debentures stock otherwise provide, the Company shall, within three months after the allotment of any of its shares, debentures, or debenture stock, and within two months after the application for the registration of the transfer of any such shares, debentures or debenture stock so allotted or transferred.

#### As to issue of new certificates.

19. (1) The Board of Directors may renew a share certificate or issue a duplicate of a share certificate, if such share certificate -
- a) is proved to have been lost or destroyed; or
  - b) having being defaced or mutilated or torn is surrendered to the Company, or
  - c) is old, decrepit or worn out or where the cages on the reverse for recording transfers are fully utilised
- (2) The Company shall observe such rules and conditions as may be prescribed by the Government or required by the Stock Exchange on which the shares are listed for renewal of share certificates or issue of duplicate share certificate.
- (3) The Company shall not charge any fee for sub-division or consolidation of share and debenture certificate or for sub-division of letters of allotment or for splitting, consolidation or renewal of transfer receipts into denominations corresponding to the market units of trading or for issue of new certificates in replacement of those which are old, decrepit or worn out or where the cages on the reverse for recording transfers have been fully utilised.
- (4) The Company shall not charge any fees exceeding those which may be agreed upon with the Stock Exchange on which the Shares are listed for issue of new certificates in replacement of those which are torn, defaced, lost or destroyed or for sub-division or consolidation of share and debenture certificates or for sub-division of letters of allotment or for splitting, consolidating or renewal of transfer receipts into denominations other than those for the market units of trading.
- Provided in the absence of a listing agreement the Company shall charge such fees as may be decided by the Board of Directors from time to time.

#### Director's power to refuse application for split / consolidation.

20. Notwithstanding anything contained in sub-article (4) of Article 19 the Board of Directors may refuse application for sub-division or consolidation of share and debenture certificates into denomination of less than 25 except when sub-division or consolidation is required to be made to comply with a Statutory Order or an Order of a competent Court of Law.

## VI. INTEREST OUT OF CAPITAL

### Interest out of capital,

21. Where the shares are issued for the purpose of raising money to defray the expenses of the construction of any work of 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 of capital as part of the cost of construction of the work or building or the provision of plant. Payment of interest shall not operate as a reduction of the amount paid up on the shares in respect of which it is paid.

## VII. CALLS.

### Calls

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

#### Calls to be on uniform basis.

23. Any calls for share capital shall be made on a uniform basis on all shares falling under the same class. For the purpose of this Article, shares of the same nominal value on which different

amounts have been paid up shall not be deemed to fall under the same class.

**Call to date from resolution.**

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

**Notice of call.**

25. Not less than thirty days' notice of every call shall be given specifying the time and place of payment and to whom such call shall be paid PROVIDED THAT before the time for payment of such call shall elapse, the Directors may, by notice in writing to the members, revoke the same.

**Directors may extend time.**

26. The Directors may, from time to time at their discretion, extend the time fixed for the payment of any call, and extend such time as to all or any of the members who, owing to their residence at a distance or other cause, the Directors may deem entitled to such extension, but no member shall be entitled to such extension as a matter of right.

**Amounts payable on allotment or at fixed time to be deemed to be calls.**

27. (1) Any sum which, 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, such sum becomes payable.
- (2) In case on non-payment of such sum, all the relevant provision 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.

**When interest on call or instalment payable.**

28. If the sum payable in respect of any call or instalment be not paid on or before the day appointed for payment thereof, the holder for the time being or allottee of the shares in respect of which a call shall have been made or the instalment shall be due shall pay interest on the same at such rate not exceeding 18% per annum as the Directors shall fix from the day appointed for the payment thereof to the time of actual payment, but the Directors may waive payment of such interest wholly or in part.

**Partial payment not to preclude forfeiture.**

29. Neither a judgement nor a decree in favour of the Company for calls or other moneys due in respect of any shares, nor any part payment or satisfaction thereunder, nor the receipt by the Company of a portion of any money which shall, from time to time, be due from any member in respect of any shares (either by way of principal or interest), nor any indulgence granted by the Company in respect of payment if any money shall preclude the forfeiture of such shares as provided by these Articles.

**Evidence required to prove debts of members.**

30. At the trial of hearing of any action or suit brought by the Company against any member or his legal representative for the recovery of any money claimed to be due to the Company in respect of any share, 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 on the Register of Members as the holder of the shares in respect of which such money is sought to be recovered, that the resolution making the call is duly recorded in the Minute Book, and that notice of such call was duly given in pursuance of these Articles, and it shall not be necessary to prove the appointment of the Directors who made such call, nor other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.

**Payment in anticipation of calls may carry interest.**

31. The Directors may, if they think fit, receive from any member willing to advance the same, the whole or any part of the moneys due upon any shares held by him, and upon all or any of the money so advanced may (until the same would, but for such advance, become presently payable) pay interest at such rate (not exceeding without the sanction of the Company in General Meeting

12 percent per annum) as may be agreed upon between the member paying the sum in advance and the Directors. Moneys paid in advance of calls shall not, in respect thereof, confer a right to vote or to dividend or to participate in profits. The Directors may at any time repay the amount so advanced upon giving to such member three months' notice in writing.

#### VIII. FORFEITURE AND LIEN.

##### If call or instalment and paid notice must be given.

32. If any member fails to pay the whole or any part of any call or instalment or any money due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or instalment or any part thereof or other moneys remain unpaid or a judgement or a decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or instalment or such part thereof or other moneys as remain unpaid, together with any interest that may have accrued and all expenses (legal or otherwise) that may have been incurred by the Company by reason of such non-payment.

##### Contents of notice.

33. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place on and at which such call or instalment or part thereof or other moneys as aforesaid 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 the call was made or instalment is payable will be liable to be forfeited.

##### In default of payment shares to be forfeited.

34. If the requirements of any such notice as aforesaid are not complied with, any shares in respect of which such notice has been given may, at any time thereafter, but before payment of such calls, installments, interest and expenses or other moneys due in respect thereof, be forfeited by a resolution of the Directors to that effect. Such forfeiture shall include all dividends declared in respect of the forfeited shares and not actually paid before the forfeiture.

##### Entry of forfeiture in Register.

35. 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 entry of the forfeiture with the date thereof shall be made in the Register of Members, but no forfeiture shall be invalidated by any failure to give such notice or to make such entry as aforesaid.

##### Forfeited shares to be property of the Company.

36. Any shares so forfeited shall be deemed to be the property of the Company and may be sold, reallocated or otherwise disposed of either to be original holder thereof or to any other person upon such terms and conditions and in such manner as the Directors shall think fit.

##### Power to annual forfeiture.

37. The Directors 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 they think fit.

##### Shareholder still liable to pay money owing at the time of forfeiture and interest.

38. Any member whose shares have been forfeited shall, notwithstanding the forfeiture be liable to pay and shall forthwith pay to the Company all calls, installments, interest, expenses and or the moneys owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from the time of forfeiture until payment, at such rate not exceeding 18 per cent per annum as the Director may determine, and the Directors may enforce the payment of the whole or a portion thereof if they think fit but shall not be under any obligation to do so.

##### Surrender of shares.

39. The Directors may, subject to the provisions of the Act, accept a surrender of any shares from or by any member desirous of surrendering them on such terms as they think fit.

##### Company's lien on shares.

40. (1) The Company shall have a first and paramount lien on every share (other than fully paid-up

shares) for all moneys (whether presently payable or not) payable at fixed time in respect of such share PROVIDED THAT the Board may, at any time, declare any share wholly or in part exempt from the provisions of the Article.

- (2) The Company's lien, if any, on a share extended to all dividends payable thereon.
- (3) Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

#### As to enforcing lien by sale.

41. For the purpose of enforcing such lien as aforesaid the Directors may sell the shares subject thereto in such manner as they think fit, but no sale shall be made :-
  - (1) unless a sum in respect of which the lien exists is presently payable; and
  - (2) until the expiration of seven days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists and as is presently payable has been given to the registered holder for the time being of the share or to the person entitled thereto by transmission, and default shall have been made by him in payment of the sum payable as aforesaid for seven days after such notice.

#### Application of proceeds of sale.

42. The net proceeds of any such sale, after payment of the costs of such sale, shall be 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 be paid to such member or the person, if any, entitled by transmission to the shares so sold.

#### Evidence of forfeiture.

43. 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 the shares are sold shall be registered as the holder of such shares and shall not be bound to see to the application of the purchase money, nor shall his title to such shares be affected by any irregularity or invalidity in the proceeding in reference to such forfeiture, sale or disposition.

#### Validity of sales.

44. Upon any sale, after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Directors may, if necessary, appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the shares sold, and the purchaser shall not be bound to see to the regularity of the proceedings, or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such shares, the validity of the sale shall not be impeached by any person, and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively. Upon any such sale as aforesaid, the original certificate in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new certificate or certificates in lieu thereof to the purchaser or purchasers concerned.

### IX. TRANSFER AND TRANSMISSION

#### Register of transfer.

45. The Company shall maintain a Register of Transfer and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any share.

#### Form of transfer.

46. The instrument of transfer shall be in writing and in such form as may be prescribed. All the provisions of Section 108 of the Act shall be duly complied with in respect of all transfer and of the registration thereof. The Company shall not charge any fee for registration of a transfer of shares or debentures.

**Transfer to be left at office and evidence of title given.**

47. Every instrument of transfer shall be in respect of only one class of shares, and shall be left at the office of the Company or such other place as the Company may notify for registration accompanied by the certificate of the shares to be transferred and such other evidence as the Directors may require to prove the title of the transferor on his right to transfer the shares PROVIDED THAT where it is proved to the satisfaction of the Directors that an instrument of transfer signed by the transferor (that an instrument of transfer signed by the transferor) and the transferee has been lost, the Company may, if the Directors think fit, on an application in writing made by an transferee and bearing the stamp required by an instrument of transfer, register the transfer on such terms as to indemnity as the Directors may think fit.

**No transfer to minors etc.**

48. No transfer shall be made to a person of unsound mind or to a minor.

**Closure of Register of Members of Debentures Holders.**

49. The Directors shall have power, on giving seven day's notice by advertisement as required by Section 154 of the Act, to close the transfer books, Register of Members or Register of Debentures holders of the Company for such period of time not exceeding in the whole 45 days in each year ( but not exceeding 30 days at a time) as they may determine.

**Director's power to refuse to register a transfer.**

50. 'Subject to the provision of section 111 of the Act and the provisions of the Securities Contracts (Regulation) Act, 1956 the Directors may decline to register any transfer of shares to a person of whom they do not approve, notwithstanding that the proposed transferee is already a member of the Company and may also decline to register any transfer of shares on which the Company has a lien'. The Directors may decline to recognise any instrument of transfer unless it is accompanied by the certificate of shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer. If the Directors refuse to register a transfer of any shares, they shall, within two months after the date on which the transfer was lodged with the Company, send to the transferee and the transferor notice of the refusal. Registration of a transfer shall not be refused on the ground of the transferor being, either alone or jointly with any other person or persons, indebted to the Company on any account whatsoever except where the Company has exercised its right of lien on the shares.

**Director's power to refuse transfer of less than 25 shares.**

51. Without prejudic to the generality of the forgoing Article 50, the Directors shall be entitled to refuse an application for transfer of less than the 25 Equity Shares of the Company subject however, to the following exceptions :
- (a) Transfer of equity shares made in pursuance of any Statutory Order or an Order of a competent Court of Law.
  - (b) Transfer of the entire holding of equity shares of a member, which is less than 25, to one or more transferees provided that the total holding of the transferee or each of the transferees as the case may be will not be less than 25 shares after the said transfer.

**Directors' power to transfer the shares of member shares of member ceasing to be resident.**

52. (1) The Directors shall be entitled to call upon a member who has at any time ceased to be resident for the purpose of Foreign Exchange Regulation Act, 1973, ("FERA") to transfer all or any of the shares held by such member to any other individual, company or body corporate which is resident for the purposes of FERA.

(2) The Directors shall exercise the powers vested in them under Clause (1) by serving a written notice upon member to transfer the shares within the period specified in such notice.

(3) If a member after having become bound to transfer any shares as required by the Article shall make default in transferring the shares the Directors may authorise some person to execute on behalf of and as attorney for such member any necessary transfer including application to Reserve Bank of India for permission to transfer the shares and may receive the purchase money and shall thereupon cause the name of purchaser to be entered in the Register as the holder of the shares and hold the purchase money in trust for such member. The receipt of the Company for the purchase money shall be a good discharge to the purchaser who shall not be bound to see to the application thereof and after the name of the purchaser has been entered in

the Register in purported exercise of the aforesaid powers, the validity of the proceedings shall not be questioned by any person.

(4) All expenses incurred by the Company in connection with the transfer of the shares under this Article shall be deducted by the Company from the purchase price.

(5) Upon any transfer of the shares under the provisions of Clause (3) of this Article the certificate or certificates originally issued in respect of the relevant shares (unless the same shall on demand by the Company have been previously surrendered to it by the concerned member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.

#### Title to shares of deceased holder.

53. The executors or administrators of a deceased member or the holder of a Succession Certificate in respect of the shares of a deceased member (not being one of two or more joint holders) shall be the only person whom the Company will be bound to recognise as having any title to the shares registered in the name of such member, and the Company shall not be bound to recognise such executors or administrators or holders unless such executors or holder shall have first obtained Probate or Letters of Administration or Succession Certificate, as the case may be, from duly constituted Court in India; PROVIDED THAT the directors may, at their absolute discretion, dispense with production of Probate, Letters of Administration or Succession Certificate upon such terms as to indemnity or otherwise as they think fit and may enter the name of the person who claims to be absolutely entitled to the shares standing in the name of deceased member, as a member. The Company shall not charge any fee for registration of any Power of Attorney, Probate, Letters of Administration or similar document.

#### Transmission Clause.

54. Any person becoming entitled to any share in consequence of the death, lunacy or insolvency of any member or by any lawful means other than by a transfer in accordance with these Articles, may, with the consent of the Directors (which they shall be under no obligation to give) and upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Directors may require, and upon giving such indemnity as the Directors may require, either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Directors, registered as a member in respect of such shares. PROVIDED THAT if such person shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with these Articles, and until he does so he shall not be freed any liability in respect of such shares. This clause is hereinafter referred to as the "Transmission Clause".

#### Refusal to register in case of transmission

55. The Directors shall have the same right to refuse to register a person entitled by transmission to any shares or his nominee as if were the transferee named in the case of a transfer of shares presented for registration.

#### The Company is not liable for disregard of notice prohibiting registration of transfer.

56. The Company shall incur no liability or responsibility whatever in consequence of it registering or giving effect to any transfer of shares made or purported to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares, notwithstanding that the Company may have had notice of such equitable right, title of interest or notice prohibiting registration of such transfer, and may have entered such notice or referred to it in any book, or attended to given notice which may have been 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 given effect there to, if the Directors shall so think fit.

#### Rights of Successors.

57. A person becoming entitled to a share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were

in respect of the shares, be entitled to exercise any right conferred by membership in relation to meetings of the Company PROVIDED THAT the Directors shall, at any time, given notice requiring any such person to elect either to be registered himself or to transfer the shares, and if the notice is not complied with within ninety days, the Directors may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the shares until the requirements of the notice have been complied with.

## X. CONVERSION OF SHARES INTO STOCK

### Conversion of shares into stock and reconversion.

58. The Directors may, with the sanction of a resolution of the Company in General Meeting, convert any paid-up shares into stock and may convert stock into paid-up shares of any denominations. When any shares 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 fully paid-up shares in the company's capital may be transferred or as near thereto as circumstances will admit.

### Rights of stockholders.

59. The stock shall confer on the holders thereof respectively the same privileges and advantages, as regards participation in profits and voting at meetings of the Company and for other purposes, as would have been conferred by shares of equal amount in the capital of the Company of the same class or by shares of equal amount from which stock was converted, but, so that, none of such privileges or advantages, except the participation in the profits of the Company or in assets of Company on a winding up, shall be conferred by any such aliquot part of stock as would not, if existing in shares, have conferred such privileges or advantages. No such conversion shall affect or prejudice any preferential or other special privileges attached to the shares so converted. Save as aforesaid, all the provision contained in these Articles shall, so far as circumstances shall admit, apply to stock as well as to shares.

## IX. INCREASE, REDUCTION AND ALTERATION OF CAPITAL.

### Increase of capital.

60. The Company may, from time to time, in General Meeting by an Ordinary Resolution increase its shares capital by the issue of new shares of such amount as it thinks expedient.

### Further issue of capital.

61. When it is proposed to increase the subscribed capital of the Company by allotment of further shares, the provisions of Section 81 of the Act shall be complied with.

### Further capital to be same as original capital

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

### Power to issue redeemable Preference Shares.

63. (1) Subject to the provision of the Act, and subject to the provisions on which any shares may have been issued, the Company shall have the power to issue preference shares which are, or at the option of the Company, are liable to be redeemed, and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption. On the issue of redeemable preference shares, the following provisions shall (unless the Act otherwise provides) take effect:-

(a) no such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purpose of the redemption;

(b) no such shares shall be redeemed unless they are fully paid;

(c) the premium, if any, payable on redemption shall have been provided for out of the profits of the Company out of the Company's share premium account, before the shares are redeemed;

(d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend, be transferred to 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, except as provided in Section 80 of the Act, apply as if the capital redemption reserve account were paid-up Share Capital of the Company.

(2) Subject to the provisions of Section 80 of the Act and subject to the provisions under which any shares may have been issued, the redemption of preference shares may be effected on such terms and in such manner as is provided in these Articles or the terms and conditions of their issue and subject thereto in such manner as the Directors may think fit.

(3) The redemption of preference shares under this provision by the Company shall not be taken as reducing the amount of its authorised share capital.

(4) Where, in pursuance of this Article or otherwise, the Company has redeemed or is about to redeem any preference shares, it shall have power to issue shares up to the nominal amount of the shares redeemed or to be redeemed as if those shares had never been issued and accordingly the Shares Capital of the Company shall not, for the purpose of calculating the fees payable under Section 611 of the Act, be deemed to be increased by the issue of shares in pursuance of this clause.

Provided that where new shares are issued before the redemption of the old shares, the new shares shall not so far as relates to stamp duty be deemed to have been issued in pursuance of this clause unless the old shares are redeemed within one month after the issue of the new shares.

(5) The capital redemption reserve account may, notwithstanding anything in this Article, be applied by the Company, in paying up the unissued shares of the Company to be issued to the members of the Company as fully paid bonus shares.

#### Provisions in case of redemption of Preference Shares.

64. Save as herein otherwise provided in respect of specified preference shares, the Company shall, where preference shares are issued, be at liberty at any time, either at one time or from time to time as the Company shall think fit, by giving not less than six months' previous notice in writing to the holders of the preference shares to redeem at par the whole or part of the preference shares for the time being outstanding, by payment of the nominal amount thereof with dividend calculated up to the date or dates notified for payment (and for this purpose the dividend shall be deemed to accrue from day to day) and in the case of redemption of part of the preference shares the following provisions shall take effect:-

(a) The shares to be redeemed shall be determined by a drawing which the Company shall cause to be made at its Office in the presence of one Director at least; and

(b) Forthwith after every such drawing, the Company shall notify to the shareholders whose shares have been drawn for redemption its intention to redeem such shares by payment at the Office of the Company at the time and on the date to be named against surrender of the Certificates in respect of the shares to be redeemed and at the time and date so notified, each such shareholder shall be bound to surrender to the Company the Share Certificates in respect of the shares to be redeemed and thereupon the Company shall pay the amount payable to such shareholders in respect of such redemption. The shares to be redeemed shall cease to carry interest from the date named for payment as aforesaid. Where any such Certificate includes any shares which have not been drawn for redemption, the Company shall issue to the holder thereof a fresh Certificate therefore.

#### Reduction of capital

65. The Company may (subject to the provisions of Sections 100 to 104 of the Act) from time to time, by Special Resolution reduce:

(a) its share capital ;

(b) any capital redemption reserve account; and

(c) any share premium account; and, in particular, capital may be paid off on the footing that it may be called up on again or otherwise. This Article shall not derogate from any power which the company would have had if it were omitted.

## XII. SUB-DIVISION AND CONSOLIDATION

### Consolidation, sub-division and cancellation of shares.

66. (1) Subject to the provisions of Section 94 of the Act, the Company, in General Meeting, may by an Ordinary Resolution alter the condition of its Memorandum as follows :
- (a) consolidate and divide its share capital or any part thereof into shares of larger amount than its existing shares;
  - (b) subdivide its shares, or any of them into shares, of a smaller amount than fixed by the Memorandum, so however that in the sub-division, the proportion between the amount paid and the amount (if any) unpaid on each reduced share, shall be the same as it was in the case of the share from which the reduced share is derived;
  - (c) convert all or any of its fully paid up shares into stock and reconvert that stock into fully paid up shares of any denominations;
  - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken nor agreed to be taken by any person, and diminish the amount of its share capital by the amount of shares so cancelled. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be reduction of share capital within the meaning of the Act.
- (2) Whenever the Company shall do any one or more of the things provided for in the foregoing sub-clause (a), (b), (c) and (d) it shall, within thirty days thereafter, give notice thereof to the Registrar as required by Section 95 of the Act specifying as the case may be, the shares consolidated, sub-divided or cancelled.

## XIII. MODIFICATION OF RIGHTS

### Modification of rights.

67. Whenever the share capital of the Company is divided into different classes of shares, the rights attached to the shares of any class may, subject to the provisions of Sections 106 and 107 of the Act, be varied with the consent in writing of the holders if not less than three-fourth of the issued shares of that class or with the sanction of a Special Resolution passed at a separate meeting of the holders of the issued shares of that class can all the provisions herein contained as to general meeting shall, mutatis mutandis, apply to every such meeting. This Article shall not derogate from any power which the Company would otherwise have if it were omitted.

## XII. JOINT HOLDERS

### Joint holders.

68. (1) Where two or more persons are registered as the holders of any shares, they shall be deemed to hold the same as joint tenants with benefits of survivorship subject to the following and other provisions contained in these Articles.
- (2) The Company shall be entitled to decline to register more than four persons as the holders of any share.
  - (3) The joint holders of any share shall be liable, severally as well as jointly, for and in respect of all calls and other payments which ought to be made in respect of such shares.
  - (4) On the death of any such joint holder, the survivor or survivors shall be the only person or persons recognised by the Company as having any title to the share, but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of the deceased joint holder from any liability on shares held by him jointly with any other person.
  - (5) Any of such joint holders may give effectual receipts for any dividends or other moneys payable in respect of such share.
  - (6) Only the person whose name stands in the Register of Members as the first of the joint holders of any shares shall be entitled to delivery of the certificate relating to such shares or to receive notices from the Company, and any notice given to such person shall be deemed proper notice to all joint holders.
  - (7) Any one of two or more holders may vote at any meeting either personally or by proxy in respect of such share as if he were solely entitled thereto and if more than one of such joint

holders be present at any meeting personally or by proxy, the holder whose name stands first or higher (as the case may be) on the Register of Members in respect of such shares shall alone be entitled to vote in respect thereof.

Provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by proxy although the name of such person present by proxy stands first on the Register of Members in respect of such shares.

## XV. BORROWING POWERS

### Borrowing powers

69. Subject to the provisions of Section 292 and 293 of the Act, the Board of Directors may, from time to time at its discretion, by resolution at a meeting of the Board, accept deposits from Members either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum of sums of money for the purpose of the Company.

### Payment or repayment of borrowed moneys

70. The payment and repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, by resolutions passed at meeting of the Board (but not by circulation) and in particular, by the issue of bonds, debentures or debenture-stock of the Company either unsecured or secured by a mortgage or charge over all or any part of the property of the Company (both present and future) including its uncalled capital for the time being and 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.

### Terms of issue for debentures

71. Any bonds, debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denominations, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General Meetings, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting accorded by a special resolution.

### Power to re-issue redeemed debentures

72. The Company shall have power to re-issue redeemed debentures in certain cases in accordance with Section 121 of the Act.

### Mortgage of uncalled capital

73. If any uncalled capital of the Company is included in or charged by any mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.

### Indemnity may be given

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

### Register of mortgage etc. to be kept.

75. The Company shall keep a Register of Charges in accordance with the provision of Section 143 of the Act in respect of all mortgages, debentures and charges specifically affecting the property of the Company and shall cause the requirements of Sections 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with, so far as they are required to be complied with by the Board of Directors.

### Register of debenture holders.

## XVI. GENERAL MEETINGS

### Annual General Meeting.

77. (1) The Company shall in each year, hold in addition to any other meetings, a General Meeting as its Annual General Meeting and shall specify the meeting as such in the notice calling it. The Annual General Meeting shall be held at such time and in such manner as may be provided in the Act.
- (2) Every Annual General Meeting shall be called for such time during business hours and on such a day (not being a public holiday) as the notice calling the same specify and shall be held either at the Office of the Company or at some other place within the city, town or village in which the Office of the Company is situated.

### Extraordinary General Meeting.

78. All General Meeting other than the Annual General Meeting shall be called Extraordinary General Meeting.

### Convening of Extraordinary General Meetings.

79. (1) The Directors may, whenever they think fit, convene an Extra-ordinary General Meeting and they shall, on the requisition of such number of members as is provided in Section 169 (4) of the Act, forthwith proceed to convene an Extraordinary General Meeting of the Company in the manner laid down in the said Section.
- (2) If the Board does not within twenty-one days from the date of the deposit of a valid requisition under Section 169 of the Act, proceed duly to call a meeting for the consideration of the matters specified in such requisition on a day not later than forty-five days from the date of the deposit of the requisition, the provisions of Section 169(6), (7) and (9) shall apply.
- (3) Where two or more persons hold any shares in the Company jointly a requisition or a notice calling a meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it had been signed by all of them.

### Period of notice General Meeting

80. (1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing.
- (2) A General Meeting may be called after giving shorter notice than that specified in Clause (1) thereof if consent is received thereto :-
- (a) in the case of an Annual General Meeting, by all the Members, entitled to vote thereat; and
- (b) in the case of any other General Meeting, by members of the Company holding not less than ninety-five percent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting.

PROVIDED THAT where any members of the Company are entitled to vote only on some resolution to be moved at a General Meeting and not on the others, those members shall be taken into account for the purposes of this Article in respect of the former resolution or resolutions and not in respect of the latter.

### Form and service of notice

81. (1) Every notice of a meeting of the Company shall with the requirements of Section 172, of the Act and shall be given to the persons specified in the said Section 172 in the manner prescribed by sub-sections (1) to (4) of Section 53 of the Act.
- (2) Where any item of business to be transacted at any meeting of the Company is deemed to be special business within the meaning of that term in Section 173 of the Act, there shall be annexed to the notice of such meeting a statement of material facts concerning such item of special business setting out the particulars specified in the said Section 173.
- (3) Where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighborhood of the Office of the Company under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by that Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

(4) Every notice convening a meeting of the Company shall state that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll vote instead of himself, and that a proxy need not be a Member of the Company.

**Omission to give notice**

82. The accidental omission to give any such notice as aforesaid to or the non-receipt thereof by any member or other person to whom it should be given shall not invalidate the proceedings of any such meeting.

**XVII. PROCEEDINGS AT GENERAL MEETINGS.**

**Quorum.**

83. The quorum at any meeting of the Company shall be as provided in Section 174 of the Act. No business shall be transacted at any General Meeting unless the requisite quorum be present at the commencement of the meeting. If within half an hour of the time appointed for holding a meeting of the Company a quorum is not present, the meeting, if called upon the requisition of the members, shall stand dissolved. In any other case, the meeting shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and such other time and place as the Board of Directors may determine. If at the adjourned meeting also a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be the quorum, and may transact the business for which the meeting was called.

**Resolution passed at adjourned meeting.**

84. Where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes, be treated as having been passed on the date which it was in fact passed and shall not be deemed to have been passed on any earlier date.

**Chairman of General Meeting.**

85. (1) The Chairman of Board of Directors shall be entitled to take the Chair at every General Meeting.
- (2) If there shall be no chairman of the Board of Directors, or if the Chairman of the Board of Directors is unable or unwilling to act as Chairman, or if the Chairman of the Board of Directors shall not be present within 15 minutes of the time appointed for holding the meeting, the Vice-Chairman, if any, of the Board of Directors shall be entitled to take the chair at every General Meeting.
- (3) If there shall be no Chairman or Vice-Chairman of the Board of Directors, or if both the Chairman and the Vice-Chairman of the Board of Directors are unable or unwilling to act as Chairman, or if both the Chairman and the Vice-Chairman of the Board of Directors shall not be present within 15 minutes of the time appointed for holding the meeting, then the Directors present shall elect any one of themselves to act as Chairman of the meeting.
- (4) If no Director shall be present at any General Meeting within 15 minutes of the time appointed for holding their meeting, or if all the Directors present are unable or unwilling to act as Chairman, then the members present shall elect one of their member to be their Chairman of the meeting.

**Poll for election of Chairman**

86. If a poll is demanded on the election of a Chairman, it shall be taken forthwith in accordance with the provisions of the Act, and the Chairman elected on a show of hands, shall exercise all the powers of the Chairman. If some other person is elected Chairman as a result of such poll, he shall be the Chairman for rest of the meeting.

**Chairman may adjourn meeting with consent.**

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

**Voting to be done by shows of hands in the first instance.**

88. At any General Meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded, be decided on show of hands.

**Chairman's declaration conclusive.**

89. A declaration by the Chairman that, in pursuance of the last preceding Article, on a show of hands a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the meeting shall be conclusive evidence of that fact, without proof of the number or proportion of votes in favour of or against such resolution.

**Demand for a poll.**

90. Before or on the declaration of the results of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the Resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid-up. The demand of a poll may be withdrawn at any time by the person or persons who make the demand.

**Time of taking poll.**

91. A poll demanded on a question of adjournment shall be taken forthwith. A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided in Article 84) shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and at such place as the Chairman of the meeting may direct.

**Chairman's casting vote.**

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

**Scrutineers at poll.**

93. Where a poll is to be taken, the Chairman of the meeting shall point two scrutineers to scrutinise the votes on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a member (not being an officer or employee of the Company) present at the meeting provided such a member is available and willing to be appointed, the Chairman shall have power at any time before the result of the poll is declared, to remove a scrutineer from office and fill the vacancy in the office of scrutineer arising from such removal from any other cause.

**Demand for poll not to prevent transaction of other business.**

94. The demand for a poll 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.

**Resolution requiring special notice.**

95. Where by any provision contained in the Act or in these Articles, special notice is required of any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall, immediately after the notice of the intention to move any such resolution in the same manner as it gives notice of the meeting or, if that is not practicable, shall give them notice thereof by any advertisement in a newspaper having an appropriate circulation not less than seven days before the meeting.

**Voting rights.**

96. (1) every member entitled to vote and present in person :
- (a) shall, upon a show of hands, have one vote; and
- (b) shall, (subject to the provisions of Section 92 of the Act and Article 31) upon a poll having

- (2) Subject to the provisions of Section 92 of the Act and Article 31 every member of the Company holding any preference share capital shall in respect of such capital, have a right to vote on resolutions to the extent and in the manner laid down in sub-section (2) of Section 87 of the Act.

**Members in arrears not to attend or vote.**

97. No member shall be entitled to be present or to vote on any question (whether personally or by proxy) at any General Meeting or upon a poll or be reckoned in the quorum whilst any call or other money due from him, either alone or jointly, to the Company in respect of any share or shares in the Company remains unpaid, or in regard to which the Company has exercised any right of lien.

**Vote of member of unsound mind.**

98. A member of unsound mind or in respect of whom an Order has been made by any Court having jurisdiction in lunacy may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.

**Votes of person entitled to a share by transmission.**

99. Any person entitled under the Transmission clause to transfer any shares shall not be entitled to be present or to vote at any meeting either personally or by proxy, in respect of such shares, unless before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall have satisfied the Company of his right to transfer such shares (as to which the opinion of the Board shall be final) or unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.

**Right of member to use his votes differently.**

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

**Votes may be given personally or by proxy.**

101. Subject to the provisions of these Articles, votes may be given either personally or by proxy. A member present by proxy shall not be entitled to vote on show of hands.

**Proxies.**

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

**Form of proxy.**

103. The instrument appointing a proxy shall be in either of the applicable forms set out in the Schedule IX of the Act and shall be signed by the appointer or his attorney duly authorised in writing or, if the appointer is a body corporate, shall be under its seal or be signed by any officer or an attorney duly authorised by it.

**The instrument of proxy and power and power of attorney to be deposited at the office.**

104. No person shall be allowed to vote or act as a proxy at any meeting unless the instrument appointing him as a proxy and the power of attorney (if any) under which it is signed shall have been deposited at the Office of the Company at least forty-eight hours before the time appointed for the holding of the meeting or adjourned meeting at which the person named in such instrument proposes to vote, and, in default thereof, the instrument of proxy shall not be treated as valid and shall be rejected at the discretion of the Board. Any instrument appointing a proxy permanently or for a certain period may be registered with the Company once and for all, and need not be again registered before each successive meeting, and shall be in force until notice of revocation thereof shall have been received by the Company at any time before the hour fixed for the meeting.

**Proxies with whom to remain.**

105. All the instruments of proxy shall remain in the custody of the Company permanently, or for such time as the Board may determine.

**Votes of proxy valid though authority revoked.**

106. A vote given in accordance with the terms of any instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or revocation of the proxy or any power of attorney under which such proxy was signed, or the transfer of the share in respect of which the vote was given, provided no intimation in writing of the death, insanity, revocation or transfer shall have been received at the Office of the Company before the commencement of the meeting or the adjourned meeting at which the proxy is used.

**Representation of corporation at meetings.**

107. A body corporate (whether a company within the meaning of the Act or not) may, if it is a member of the Company, by a resolution of its Board of Directors or other Governing Body authorise such person as it thinks fit to act as its representative at any meeting of the Company or at any meeting of any class of members of the Company, or, if it is a creditor (including a holder of debentures of the Company), at any meeting of the creditors of the Company held in pursuance of the Act or of any rules made thereunder or in pursuance of the provisions contained in any Debentures or Debenture Trust Deed as the case may be. A person authorised by any such resolution as aforesaid shall be entitled to exercise all rights and powers (including the right to vote by proxy) on behalf of the body corporate, which he represents, as that body could exercise if it were a member, creditor or holder of debentures of the Company.

**Chairman sole Judge of the validity of votes.**

108. No objection shall be made to the validity of any vote except at the meeting or poll at which such vote shall be tendered, and every vote, whether given personally or by proxy and not disallowed at such meeting or poll, shall be deemed valid for all purpose of such meeting or poll. The Chairman of any meeting shall be the sole judge of the validity of the vote tendered at such meeting and the Chairman present at the taking of the poll shall be the sole judge of the validity of every vote tendered at such poll.

**Number of Directors.**

109. Until otherwise determined by a General Meeting and subject to Section 252 and 259 of the Act the number of Directors shall not be less than three or more than twelve.
110. The present Directors of the Company are:
- (a) Shri Santisarup Agarwal
  - (b) Shri Rajeev Agarwal
  - (c) Shri Sanjeev Agarwal
  - (d) Shri Rakesh Agarwal
  - (e) Smt. Lalitadevi Agarwal

**No share qualification for directorship**

111. A Director need not hold any shares in the Company to qualify him for the office of a Director of the Company.

**Debenture Director**

112. Any Trust Deed securing and covering the issue of Debenture or Debenture Stock of the Company and a bond or other writing issued or executed by the Company in favour of any creditor of the Company may provide for the appointment of a Director (in these Articles referred to as "the Debenture Director") for and on behalf of the debenture holders or creditor, or holder of such bond, as the case may be for such period as is therein provided, not exceeding the period for which the debentures or any of them or the period during which the amount due to such creditor or any part thereof or the amount represented by such bond or any part thereof, as the case may be, shall remain outstanding, and for the removal from office of such Debenture Director, and on a vacancy being caused, whether by resignations, death, removal or otherwise for appointment of another Debenture Director to fill such vacancy. The Debenture Director shall not be liable to retire by rotation or be removed from office except as hereinbefore provided. The Debenture Director shall not be bound to hold qualification shares.

**Nominee Directors.**

owing by the Company to any public financial institutions (hereinafter collectively or individually referred to as "the Corporation") or if the Corporation holds any shares' debenture in the Company as a result of underwriting or conversion of loan/debenture into equity capital of the Company or if any guarantee given by the Corporation in respect of any financial obligation or commitment of the Company remains outstanding, the Company may by an agreement specifically entered into between itself and the Corporation give the Corporation a right to appoint one or more persons as Director(s) on the Board of Directors of the Company (each such director is hereinafter referred to as "the Nominee Director"). The Nominee Director shall not be required to hold qualification shares and shall not be liable to retire by rotation. The Corporation may at any time and from time to time remove the Nominee Director appointed by itself and may, in the event of such removal and also in case of death or resignation of the Nominee Director, appoint another in his place and also fill any vacancy which may occur as a result of the Nominee Director ceasing to hold office for any reason whatsoever. Such appointment or removal shall be made in writing by the Corporation and shall be delivered to the Company at its Office. The Board of Directors of the Company shall have no power to remove the Nominee Director from office. Each such Nominee Director shall be entitled to attend all general meetings, Board meetings and meetings of the Committees of which he is a member, and he and the Corporation appointing him shall be paid entitled to receive notices of all such meetings. The Nominee Director shall be paid remuneration, fees, allowances, expenses and other moneys to which other Directors are entitled.

#### **Appointment of Alternate Directors.**

114. The Board of Directors of the Company may appoint an alternate Director to act for a Director (in this Article 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 the Article shall not hold office as such for a period longer than permissible to the Original Director in whose place he has been appointed, and shall vacate office if and when the Original Director returns to the State in which the meetings of the Board are ordinarily held.

#### **Director may fill up vacancies.**

115. The Board of Directors shall have power, at any time and from time to time, to appoint any qualified persons to be a Director to fill a casual vacancy. Such casual vacancy shall be filled up by the Board of Directors at a meeting of the Board. Any persons so appointed shall hold only up to the date up to which the Director in which place he is appointed would have held office if it had not been vacated as aforesaid, but he shall then be eligible for election.

#### **Additional Director.**

116. The Board of Directors shall have power, at any time and from time to time, to appoint any other qualified person to be a Director as an addition to the Board, but so that the total number of Directors shall not any time exceed the maximum fixed in Article 109. Any person so appointed as an addition to the Board shall retain his office only up to the date of the next Annual General Meeting of the Company held after his appointment, but he shall be eligible for election, at such meeting.

#### **Remuneration of Directors.**

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

(1) The remuneration of each Director (Other than Managing and Whole-time Directors) for his service shall be Rs. 250/- for each meeting of the Board or Committee of the Board attended by him. On and after the Company's paid-up share capital is increased to Rs. 1 Crore of above the Directors shall be entitled to a fee of Rs. 500 for each meeting of the Board of Committee thereof.

(2) Such reasonable additional remuneration as may be fixed by the Board may be paid to any one or more of its number for services rendered by him or them in signing the share certificates in respect of the Company's capital or any debentures issued by the Company.

(3) The Directors shall be paid such further remuneration (if any) as the Company in General Meeting shall from time to time determine, and such additional remuneration and further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine and, in default of such determinations, shall be divided among

**Travelling expenses to Directors.**

118. The Board of Directors may, subject to the limitations provided by the Act, allow and pay to any Director who is not a resident of the place where the meetings of the Board of Directors are ordinarily held, such sum as the Board may consider fair compensation for travelling expenses, hotel and other incidental expenses, in addition to his fees for attending such meeting as specified above.

**Special remuneration for Director performing extra services.**

119. Subject as mentioned in Article 117, if any Director be called upon to perform extra services or special exertions or efforts (which expression shall include work done by a Director as a member of any Committee formed by the Directors), the Board may arrange with such Director for such special remuneration for such extra services or special exertions or efforts either by a fixed sum or by a commission or like emoluments or by a percentage of profits or otherwise as may be determined by the Board, and such remuneration may either be in addition to or in substitution for his remuneration as otherwise provided.

**Directors may act notwithstanding vacancy.**

120. The continuing Directors may act notwithstanding any vacancy in their body, but so that if the number falls below the minimum number fixed, the Directors shall not except in emergencies or for the purpose of filling up vacancies or for summoning a General Meeting of the Company, act as long as the number is below the minimum, and they may so act notwithstanding the absence of a necessary quorum under the provisions of these Articles.

**Office of Directors when to be vacant.**

- 121 (1) The office of a Director shall become vacant in the events, under the circumstances and at the time mentioned in Section 283 of the Act.
- (2) A Director may, at any time by notice in writing served on the Company, resign as a Director of the Company, and such Director's office shall fall vacant on the date on which such notice is received or deemed to be received by the Company, or such other date (being subsequent to the date on which such notice is received or deemed to be received by the Company) as may be specified in the notice without the necessity of any further act of acceptance on the part of the Board of the Company. A notice by a Director resigning as a Director of the Company shall not be withdrawn after it is received or deemed to be received by the Company.

**Directors may contract with the Company.**

122. Subject to the compliance with the provisions of Section 297, 299, 300 and 314 of the Act and save as therein provided, no Director shall be disqualified, by his office, from holding any office or place of profit under the Company or under any Company in which the Company shall be shareholder or otherwise interested, or from contracting with the Company either as a vendor, purchaser, agent, broker, or otherwise nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested be avoided, nor shall any Director be liable to account to the Company for any profit arising from any such contract or arrangement by reason only of such Director holding that office or of the fiduciary relationship thereby established.

**Removal of Directors.**

123. The Company may by Ordinary Resolution remove any Director, not being a Director appointed by the Central Government in pursuance of Section 408 of the Act, in accordance with the provisions of Sections 284 of the Act. A Director removed shall not be re-appointed a Director by the Board of Directors.

**Disclosure of Interest by Directors.**

- 124.(1) Every Director of the Company, who is in any way, whether directly or indirectly, concerned or interested in a contract or arrangement or proposed contract or arrangement entered into or to be entered into by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors in the manner set out in Section 299 of the Act.

(2) Nothing in sub-clause (1) of this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other Company, where any of the Directors of the Company or two or more of the Directors together hold not more than two per cent of the

**Consent to the Board necessary for certain contracts.**

125. (1) Except with the consent of the Board of Directors of the Company, and so long as the paid-up share capital of the Company continues to be not less than Rupee one crore, except with the previous approval of the Central Government, a Director of the Company or his relative, a firm in which such a Director of relative is a partner, any other partner in such a firm, or a private company of which the Director is a member or director, shall not enter into any contract with the Company :-
- (a) for the sale, purchase or supply of any goods materials or services, or
- (b) for underwriting the subscriptions of any shares in or debentures of the Company.
- (2) Nothing contained in sub-clause (a) of Clause (1) shall affect :
- (a) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Directors, relative, firm, partner or private company as aforesaid for cash at prevailing market prices, or
- (b) any contract or contracts between the Company on the one side and such Director, relative, firm, partner or a private company on the other for sale, purchase or supply of any goods, materials and services on which either the Company or the Director, relative, firm, partner, or private company, as the case may be, regularly trade or does business :
- PROVIDED THAT such contract or contracts do not relate to goods and materials the value of which or services the cost of which exceed five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts.
- (3) Notwithstanding anything contained in sub-clause (1) and (2) of this Article, a Director, a relative, firm, partner or private company as aforesaid may, circumstances of urgent necessity, enter, without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods or materials or services, even if the value of such goods or cost of such services exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract, but in such case the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.
- (4) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board and not otherwise, and the consent of the Board required under sub-clause (1) of this Article shall not be deemed to have been given within the meaning of the that sub-clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.
- (5) If the consent is not accorded to any contract under this Article, anything done in pursuance of the contract shall be voidable at the option of the Board.

**Holding of Officers or places or profit by Directors etc.**

126. The Company shall comply with the provisions of Section 314 of the Act in regard to holding of any office or place of profit under the Company or its subsidiary by a Director of the Company, a partner or relative of such Director, is a partner, a private company of which such Director is a Director or member and by a Director or Manager of such a private Company.

**Loans to Directors etc.**

127. The Company shall observe the restriction imposed on the Company in regard to grant of loans to Directors and other persons as provided in Section 295 and other applicable provisions (if any) of the Act.

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

128. (1) No Director of the Company shall, as a Director take any part in the discussion of, or vote, on any contract or arrangement entered into or to be entered into by or on behalf of the Company, if he is in any way, 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 so vote, his vote shall be void :

PROVIDED THAT the Board of Directors or any of its members may vote on any contract of indemnity against any loss which it or any one or more of its members may suffer by reason of becoming or being sureties or a surety for the Company.

(2) Nothing contained in sub-clause (1) of this Article shall apply to any contract or arrangement entered into with a public company or a private company which is subsidiary of a Public Company in which, the interest of the Director of aforesaid consist solely :

(a) in his being a director of such Company and the holder of shares of not more than such number or value therein as is requisite to qualify him for appointment as Director thereof, he having been nominated as a Director by the Company, or

(b) in his being a member holding not more than two per cent of its paid-up share capital.

**Directors may be Directors of any Company promoted by it.**

129. 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 benefit received as Director or shareholder of such company, except in so far as Section 309(6) or Section 314 of the Act may be applicable.

### **XIX ROTATION OF DIRECTORS**

#### **Retirement and rotation of Directors**

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

#### **Ascertainment of Director retiring by Rotation and eligibility for re-election**

131. (1) The Directors to retire by rotation under the last preceding Article 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 in and subject to an agreement among themselves, be determined by drawing lots.
- (2) A retiring Director shall be eligible for re-election.

#### **Company to appoint Directors and provisions in default of appointment**

132. (1) Subject to the provisions of Sections 257, 258, 261 and 264 of the Act, the Company, at the General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by appointing the retiring Director or some other person thereto.
- (2) If the place of the retiring Director is not so filled up and the meeting as not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.
- (3) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless :
- (a) at the meeting or at the previous meeting a resolution for the re-appointment of such of Directors has been put to the meeting and lost;
- (b) the retiring Director has, by a notice in writing addressed to the Company or its Board Directors, expressed his unwillingness to be so re-appointed;
- (c) he is not qualified or is disqualified for appointment;
- (d) a resolution, whether special or ordinary, is required for his appointment or reappointment by virtue of any provisions of the Act; or
- (e) the provision to sub-section (2) of Section 263 of the Act is applicable to the case.

133. (1) No motion at any General Meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution, unless a resolution that it shall be so made has been first agreed to go by the meeting without any vote being given against it.

(2) A resolution moved in contravention of sub-clause (1) of the Article shall be void, whether or not objection was taken at the time of its being so moved :

PROVIDED THAT where a resolution so moved is passed, no provision for the automatic

re-appointment of the Director retiring by rotation in default of another appointment shall apply.

(3) For the purpose of this Article, a motion for approving person's appointment or for nominating a person for appointment shall be treated as a motion for his appointment.

**Notice of candidature of Director and filing of consent**

134. (1) No person, not being a retiring Director, shall be eligible for election to the office of a Director at the any General Meeting unless he, or some other member intending to propose him has, at least fourteen clear days before the meeting, left at the office of the Company, a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be alongwith a deposit of five hundred rupees which shall be refunded to such person or, as the case may be, to such member, if the person succeeds in getting elected as a Director.

(2) The Company shall inform its members of the candidature of a person for the office of Director or the intention of a member to propose such person as a candidate for that office by serving individual notices on the members not less than seven days before the meeting :

PROVIDED THAT it shall not be necessary for the Company to serve individual notices upon its members as aforesaid if the Company advertises such candidature or intention not less than seven days before the meeting in at least two newspapers circulating in the place where the Office of the Company is located, of which, one is published in the English language and the other in the regional language of that place.

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

(4) A person other than :

(a) a Director re-appointed after retirement by rotation or otherwise immediately on the expiry of his term of office, or

(b) An additional or alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, or Articles 113 and 114 of these Articles appointed as a Director or re-appointed 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 of Companies his consent in writing to act as such Director.

**Disclosure by Director of appointment or relinquishment in any body corporate**

135. Every Director, Managing Director, Manager or Secretary of the Company, who is appointed to relinquishes the office of Director, Managing Director, Manager or Secretary of an other body corporate shall, within twenty days of his appointment to, or, as the case may be, relinquishment of, such office, disclose to the Company the particulars relating to the office in the other body corporate which are required to be specified under sub-section (1) of Section 303 of the Act.

**Disclosure by Director of his holding of shares and debentures of the Company etc.**

136. 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 provisions of the said Section 307. Any such notice shall be given in writing, and if it is not given at a meeting of the Board, the person giving the notice shall take all reasonable steps to ensure that it is brought up and read at the first meeting of the Board after it is given.

**XX PROCEEDINGS OF THE BOARD OF DIRECTORS**

**Meetings of Directors**

137. A meeting of the Board of Directors shall be held at least once in three calender months and at least four such meetings shall be held in every year.

**Notice of Meeting**

138. Notice of every meeting of the Board of Directors shall be given in writing to every Director for the

### Quorum

139. The quorum for a meeting of the Board of Directors shall be as set out in Section 287 of the Act.

#### Procedure when meeting adjourned for want of quorum

140. If a meeting of the Board could not be held for want of quorum, the meeting shall stand adjourned to such day, time and place as the Director or Directors present at the meeting may fix. Notice of such adjournment shall be given by every Director for the time being in India, and, at his usual address in India, to every other Director.
141. The Directors may elect a Chairman of their meetings and determine the period for which he is to hold office. If no Chairman is elected or if at any meeting Chairman is not present within fifteen minutes of the time appointed for holding the same, the directors present shall choose one of their number to be the Chairman of such meeting. The Chairman shall cease to hold office if he cease to be a Director of the Company.

#### Questions at Board meeting how decided

142. Questions arising at any meeting at the Board shall be decided by a majority of votes, and, in case of an equality of votes, the Chairman shall have a second or casting vote.

#### Powers of Board Meetings at which quorum at present

143. A meeting of the Board of Directors for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which, by or under the Act or these Articles, are vested in or exercisable by the Board of Directors generally.

#### Directors may appoint Committees

144. The Board of Directors may, subject to the provisions of Sections 292, 372 and other relevant provisions of the Act and of these Articles, delegate any of their powers to committees of the Board consisting of such member or members of its body as it thinks fit, and may from time to time, revoke and discharge any such committee of the Board either wholly or in part and either as to person or purposes, but every Committee of the Board formed shall, in the exercise of the powers so delegated, conform to any delegations that may, from time to time be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in fulfillment of the purposes of its appointment, but not otherwise, shall have the like force and effect as if done by the Board.
145. The meetings and proceedings of any Committee of the Board consisting of two or more members shall be governed by provisions contained in these Articles for regulating the meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.

#### Resolution by Circulation

146. (1) A resolution passed by circulation without the meeting of the Board or Committee of the Board shall, subject to the provision of Clause (2) hereof and the Act, be as valid and effectual as a resolution duly passed at a meeting of the Directors or of a Committee duly called and held.
- (2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution has been circulated in draft together with the necessary papers, if any, to all the Directors or to all the members of the Committee then in India (not being less in number than the quorum for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee as are then in India or by a majority of such of them as are entitled to vote on the resolution.

#### Acts of Board of Committee valid notwithstanding defect in appointment

147. All acts done by any meeting of the Board, or by a Committee of the Board, or by any person acting as Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or of any person acting as aforesaid or that they or any of them were disqualified or that their or his appointment had been terminated by virtue of a provision 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 Director :

PROVIDED THAT nothing in this Article shall be deemed to give validity to acts done by a

**XXI POWERS OF DIRECTORS****General powers of the Board**

148. Subject to the provisions of the Act the management of the business of the Company shall be vested in the Directors, and the Directors may exercise all such powers and do all such things as the Company, by its Memorandum or Association or otherwise, is authorised to exercise and do and which are not by these Articles or by the Act directed or required to be exercised or by done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and of the Memorandum of Association, and these Articles and to any regulations, not being inconsistent therewith, made by the Company in General Meeting :

PROVIDED THAT no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.

**Specific Powers given to Directors**

149. Without prejudice to the general powers conferred by the last preceding Article and the other powers conferred by these Articles and so as not in any way to limit or restrict any or those all powers, but subject to the applicable provisions of the Act, it is hereby expressly declared that the Directors shall have the following powers.

**To pay costs etc. of promotion**

- (1) To pay the costs, charges, and expenses preliminary and incidental to the promotion, formation, establishment and regulation of the Company and to the issue of further capital.

**To pay interest out of capital**

- (2) To pay out of or charge to the capital account of the Company any interest lawfully payable thereout or chargeable thereto under the provisions of Section 208 of the Act.

**To purchase and acquire property**

- (3) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally in such terms and conditions as they 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.

**To pay for property**

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

**To insure**

- (5) To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the buildings, plant, machinery, vessels, vehicles, goods, stores, produce and all other movable or immovable property of the Company, either separately or conjointly, and to assign, surrender or discontinue any policies of insurance effected in pursuance of this power.

**To open and operate bank accounts**

- (6) To open account with any bank or bankers or with any company, firm or individual and to pay money into and draw money from or otherwise operate any such account from time to time as they may think fit.

**To secure fulfillment of contracts**

- (7) To secure the fulfillment of any contracts or engagements entered into by the Company by a mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such other manner as they think fit.

**To attach conditions to shares**

- (8) To attach to any shares to be issued on the consideration or part consideration for any

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

**To accept surrenders**

(9) To accept from any member, on such terms and conditions as may be agreed upon, the surrender of his shares or stock or any part thereof.

**To appoint trustees**

(10) To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purpose, and to execute and do all such acts, deeds and things as may be requisite in relation to any such trust, and to provide for the remuneration of such trustee or trustees.

**To institute etc. legal proceedings**

(11) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers, or otherwise concerning the affairs of the Company and also to compound or allow time for payment or satisfaction of any debt due or of claims or demands by or against the Company.

**To refer to arbitration**

(12) To refer to claims or demands by or against the Company to arbitration and to observe and perform awards.

**To act in relation to insolvents**

(13) To act on behalf of the Company in all matters relating to insolvents.

**To give receipts**

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

**To determine who shall sign bills etc.**

(15) To determine, from time to time, who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptance, acquittance, endorsements, cheques, dividend warrants, releases, contracts and documents.

**To invest**

(16) To invest and deal with any of the moneys of the Company not immediately required for the purposes thereof upon such shares and securities (not being shares of the Company) or on deposit with any bank, banker, person firm or body corporate or upon any other investments in such manner as they may think fit, and, from time to time vary and realise such investments.

**To execute mortgage in favour of director**

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

**To provide for welfare of Directors, employees etc.**

(18) To provide for the welfare of the Directors or ex-Directors or ex-employees of the Company and the wives, widows, families, relatives and dependents of such persons, by building or contributing to the building of houses or dwelling quarters or by grants of money, pensions, annuities, gratuities, allowances, bonuses or other payments, or by creating and from time to time, subscribing or contributing to provident funds, gratuity funds, super annuation funds, or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and assistance as they shall think fit, and to subscribe or to contribute or otherwise to assist, support, endow or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions societies, clubs, funds 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.

**To set aside for depreciation etc.**

(19) Before recommending any dividend, to set aside, out of the profits of the Company, such sums as they think proper for depreciation or to depreciation fund, general or other reserve fund or reserve, or sinking fund, or any special fund or account to meet contingencies or repay redeemable preference shares, debentures or debenture stock or for special dividends, or for equalising dividends or for repairing, improving, extending and maintaining and part of the property of the Company, and for such other purposes including the purposes referred to in the preceding sub-clause, as the Directors may, in their absolute discretion, think conducive to the Company's interest and to invest the several sums so set aside or so much thereof as require to be invested upon such investments (subject to the provisions of the Act) as they may think fit, and, from time to time, to deal with and vary such investments and dispose of apply, and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as they think conducive to the interests of the Company, notwithstanding that the matters to or upon to which they apply or upon which they expend the same or any part thereof may be matters to which the capital moneys of the Company might rightly be applied or expended, and to divide the Reserve Fund into such special funds as they may think fit, and to employ the assets constituting all or any of the above funds or accounts (including the depreciations fund) in the business of the Company or in the purchase or repayment of redeemable preference shares, debentures or debenture stock and that without being bound to keep the same separate from the Company's other assets, and without being bound to pay interest on the same, with power, however, to the Directors, at their discretion, to pay or allow to the credit of such fund interest at such rate, not exceeding 18% per annum as they think proper.

**To appoint officers etc.**

(20) At their discretion, to appoint, remove or suspend such officers, clerks, agents, servants and other employees for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries, emoluments and benefits, and require security in such instances and for such amounts as they may think fit.

**To pay commission**

(21) Subject to the provisions of the Act, to give to any Director, officer or other person employed by the Company any interest in any particular business or transaction, either by way of commission on the gross expenditure thereon or otherwise, or a share in the profits thereof or in the general profits of the Company, or in any other manner and such interest, commission or share of profits shall be treated as a part of the working expenses of the Company.

**To provide for management in India elsewhere**

(22) From time to time, to provide for the management and conduct to the business transactions and affairs of the Company in any specified locality in India and elsewhere in such manner as they think fit.

**To establish local boards**

(23) Without prejudice to the generality of the proceeding sub-clause, 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 members of such local boards or any managers or agents, and to fix their remuneration.

**To delegate to local boards**

(24) Subject to the provisions of the Act, from time to time and at any time, to delegate to any such local board, or any member or members thereof or any managers or agents so appointed any of the powers, authorities, and discretions for the time being vested in the Board, and to authorise the members for the time being of any such local board, or any of them to fill up any vacancies; and any such appointment or delegation under the preceding sub-clause 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 annual or vary and such delegation.

**To appoint attorneys**

(25) At any time and from to time by powers of attorney to appoint any person or persons to be the attorney or attorneys of the Company, for such purposes, and with such powers, authorities and discretion (not exceeding those vested in or exercisable by the Board under these Articles and excluding the powers which may be exercised only by the Board under the Act or these

Articles), and for such period, and subject to such conditions as the Board may, from time to time think fit; and any such appointment may (if the Board think fit) be made in favour of the members of any local boards, established as aforesaid or in favour of any other company, or the members, directors, nominees or managers of any other company or any firm or otherwise of favour of any fluctuating body of persons, whether nominated directly or indirectly by the Board, any such power of attorney may contain such power for the protection or convenience of person dealing with such attorney as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegates all or any of the power, authorities and discretion for the time being vested in them.

#### To comply with local laws

(26) To comply with the requirements of any local law which, in the opinion, it shall be, in the interests of the Company, necessary or expedient to comply with.

#### To delegate

(27) Generally, from time to time and at any time, to delegates (with or without powers of sub-delegation) all or any of the powers, authorities, discretion for the time being vested in the Directors to any employees of the Company or to any other person, firm or body corporate or otherwise to any fluctuating body or persons.

#### To enter into contracts

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

#### Certain powers to be exercised by the board only at meetings

150. Without derogating from the powers vested in the Board of Directors under this Articles or otherwise in law, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means resolution passed at meetings of the Board :-

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

PROVIDED THAT the Board may, by a resolution passed at a meeting, delegates to any Committee of Directors, the Chairman, Vice-Chairman, a Managing Director, Whole-time Directors or to any other principle office for the time being of the Company or in the case of a branch office to the principal officer of the Branch Office, the power specified in sub-clauses (c) (d) and (e) of this Articles in the manner and to the extent specified in sub-section (2), (3) and (4) respectively of section 292 of the Act, and on such terms and conditions as the Board may prescribe.

## XXII. MANAGING DIRECTOR

### Whole-time Directors

151. Subject to the provisions of the Act and these Articles and subject to the approval of the Central Government, the Board may from time to time appoint one or more of their body or any other suitable person as the whole-time Director(s) of the Company and may, from time to time, remove or dismiss him or them from office and appoint another or others in his or their place or places. The Directors may decide whether the whole-time Directors may act jointly or severally, and may delegate powers separately to one or more of them.

### Powers of Chairman, Managing Directors and Whole-time Director.

152. Subject to the provisions of Section 292 of the Act and of these Articles, the Directors may from time to time entrust to and confer upon the Chairman, Vice-Chairman, Managing Director, or a Whole-time Director for the time being such of the powers exercisable under these Articles, by the Directors as they may think fit, and may confer such powers for such time and to be exercisable for such objects and purposes and upon such terms and conditions, and with such

restrictions as they think expedient, and may confer such powers either collaterally with or to the exclusion of and in substitution for all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers. Unless and until otherwise determined the Chairman, Vice-Chairman, Managing Director or a Whole-time Director may exercise all the powers exercisable by the Directors, save such powers as, by the Act or by these Articles, shall be exercisable by the Board.

#### Remuneration of Chairman, Managing Director and Whole-time Director.

153. Subject to the provision of Sections 198, 309, 310 and 311 of the Act and these Articles and to any contract between the Company and the Chairman, Vice-Chairman, Managing Director or a Whole-time Director, the remuneration of the Chairman, Vice-Chairman, Managing Director or a Whole-time Director shall from time to time be fixed by the Directors and may be by way of salary of commission or participation in profits or by any one or more of these modes or in any other form.

#### Chairman, Managing Director etc. vacates on ceasing to be Director

154. The Chairman, Vice-Chairman, Managing Director, or Joint Managing Director or Whole time Director shall subject to the provisions of any contract between them and the Company, be subject to the same provisions as to resignation and removal as the other Directors of the Company, and each of them shall ipso facto and immediately cease to be the Chairman, Vice-Chairman, Managing Directors, Joint Managing Directors, or Whole-time Directors, as the case may be if they cease to hold the office of Director from any cause.

### XXIII, MINUTES

#### Minutes

155. The Company shall cause minutes of the proceedings of all General Meetings and meetings of its Board of Directors or of every Committee of the Board, to be entered in the books to be kept for that purpose in accordance with Section 193 of the Act, and where the minutes have been so kept they shall be evidence of the proceedings recorded therein.

#### Presumptions to be drawn where minutes duly kept

156. Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of the Board have been kept in accordance with the provisions of Section 193 of the Act, until the contrary is proved, the meeting shall be deemed to have been duly called and held and all proceedings there at to have duly taken place, and, in particular, all appointments of Directors or liquidators made at the meeting shall be deemed to be valid.

#### Inspection of minute books of General Meetings

157. The books containing the minutes of the proceedings of General Meetings of the Company shall be kept at the office of the Company, and shall be open to inspection of numbers without charge on such days and during such business hours as may, consistently with the provisions of Section 196 of the Act, be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof within the time and on payment of the charges specified in the Act.

#### Publication of report of proceedings of General Meetings

158. No document purporting to be report of the proceedings of the Company, shall be circulated or advertised at the expense of the Company, unless includes matters required by Section 193 of the Act to contained in the minutes of the proceedings of such meetings.

### XXIV. THE SEAL

#### The Seal, its custody and use

159. The Directors shall provide a Common Seal for the purpose of the Company, and shall have power, from time to time to destroy the same and substitute a new seal in lieu thereof. The Directors shall provide for the safe custody of the Seal for the time being, and the Seal shall never be used except by or under the authority of the Directors or a Committee of Directors in the presence of at least one Director who shall sign every instrument to which the Seal is affixed, and every such instrument shall be counter signed by the security or some other officer appointed by the Directors in their behalf.

### Seal abroad

160. The Company may exercise the powers conferred by the Section 50 of the Act for having an official Seal for use outside India and such powers shall accordingly be vested in the Directors.

## XXV. DIVIDENDS

### Division of profits

161. The profits of the Company, subject to any special right relating thereto created or authorised 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 shares held by them respectively.

### The Company in General Meeting may declare a dividend

162. The Company in General Meeting may declare dividends to be paid to members according to their respective rights and interest in the profits, and may fix the time for payment. The Company shall comply with the provisions of Sections 205 A) and 207 of the Act. No dividend shall exceed the amount recommended by the Board of Directors.

### Dividends to be paid out of profits only

163. (1) No dividend shall be declared or paid by the Company for any financial year except out of its profits arrived at in the manner set out in Section 205 of the Act.
- (2) Where, owing to inadequacy or absence of profits in any year, the Company proposes to declare dividend out of the accumulated profits earned by it in previous year and transferred to reserves such declaration of dividend shall not be made except in accordance with such rules as may be made in the behalf by the Government, and where any such declaration is not in accordance with such rules it shall not be made except with the previous approval of the Government.

### What is to be deemed not profit

164. The declaration of the Board as to the amount of the net profits of the Company shall be conclusive.

### Interim dividend

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

### Debts may deducted from dividend

166. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of respect of which lien exists.

### Dividends in proportion to amount paid-up

167. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares but if any shares are issued on terms providing that they shall rank for dividend as from a particular date, such shares shall rank for dividend accordingly. Monies paid in advance of calls shall not in respect thereof confer any right to dividend or to participate in profits.

### Retention of dividends until completion of transfer

168. The Board may retain the dividend payable on a share in respect of which any person is, under the Transmission clause entitled to become a member, or which any person under that clause is entitled to transfer, until such person become a member in respect of such shares or shall have duly transferred the same.

### No member to receive dividend whilst in debt to the Company

169. No member shall be entitled to receive payment of any interest or dividend in respect of his share whilst any money may be due or owing from him to the Company in respect of such share or shares and the Board of Directors may deduct, from the interest or dividend payable to any member, all sums of monies as are due from him to the Company

**Right to dividend when to pass**

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

**Dividends how remitted**

171. Unless otherwise directed, any dividend may be paid by cheque or warrant, or by a pay-slip or receipt having the force of cheque or warrant, sent through the post to the registered address of the member or person entitled there to or, in case of joint holders, to that one of them named first in the Register of Members. Every such cheque or warrant shall be made to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque, warrant, pay-slip or receipt lost in transmission, or for any dividend lost to the member or person entitled there to by the forged endorsement of any cheque or warrant or the forged signature of any pay slip or receipt or the fraudulent or improper recovery of the dividend by any other means. If two or more persons are registered as joint-holders of any share or shares, any one of them can give effectual receipts for any dividends or other monies payable in respect thereof.

**Notice of Dividends**

172. Notice of the declaration of any dividend, whether interim or otherwise, shall be given to the registered holder of shares in the manner provided by the Act.

**Dividend to be paid within forty-two days**

173. (1) The Company shall pay the dividend or send the warrant in respect thereof to the share holders entitled to the payment of the dividend within forty two days from the date of declaration of the dividend except :-
- Where the dividend could not be paid by reason of the operation of any law; or
  - where the shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or
  - where there is a dispute regarding the right to receive the dividend; or
  - where the dividend has been lawfully adjusted by the Company against any sum due to it from the share holders; or
  - where for any other reason, the failure to pay the dividend, or to post the warrant within the period aforesaid was not due to any default on the part of the Company.
- (2) No unclaimed dividend shall be forfeited before the claim thereto becomes barred by law. The Directors may at any time annul such forfeiture and pay such dividend.

**Dividend and call together**

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

**XXVI. CAPITALISATION****Capitalisation**

175. (1) Any General Meeting of the Company may resolve that any amount standing to the credit of the Shares Premium Account or the Capital Redemption Reserve Account, or any moneys, investments or other assets forming part of the undivided profits including profits or surplus moneys arising from the realisation and (where permitted by the law) from the appreciation in value of any capital assets of the Company standing to the credit of the General Reserve or any other Reserve or Reserve Fund or any other Fund of the Company or in the hands of the Company and available for dividends be capitalised :-
- by the issue and distribution, as fully paid-up of share, and to extent permitted by the Act, debentures, debentures stock, bonds or other obligation of the Company, or
  - By crediting shares of the Company, which may have been issued and are not fully paid-up, with the whole or any part of the sum remaining unpaid thereon:

PROVIDED THAT any amounts standing to the credit of the Share Premium Account or the Capital Redemption Reserve Account shall be applied only in crediting the payment of capital

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

(3) To Directors shall give effect to any such resolution and shall apply such profits, General Reserve, other Reserve or any other Fund or account as aforesaid as may be required for the purpose of making payment in full of the shares, debentures, debentures stock, bonds or other obligations of the Company so distributed under sub-clause (1)(a) of this Article or (as the case may be) for the purpose of paying, in whole or in part, the amount remaining unpaid on the shares which may have been issued and are not fully paid-up under the sub-clause (1)(b) above PROVIDED THAT no such distribution or payment shall be made unless recommended by the Directors, and if so recommended, such distribution and payment shall be accepted by such members as aforesaid in full satisfaction of their interest in the said capitalised fund.

(4) For the purpose of giving effect to any such resolution, the Directors may settle any difficulty which may arise in regard to the distribution or payment as aforesaid as they think expedient, and in particular, they may issue fractional certificates and may fix the value for distribution of any specific asset and may determine that any cash payment be made to any members on the footing of the value so fixed and may vest any such cash, shares, debentures, debentures stock, bonds or other obligations in trustees upon such trusts for the persons entitled thereto as may seem expedient to the Directors, and generally may make such arrangement for the acceptance, allotment and sale of such shares, debentures, debentures stock, bonds or other obligations and fractional certificates or otherwise as they may think fit.

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

#### Capitalisation in respect of partly paid-up shares

176. Subject to the provisions of the Act and these Articles, in cases where some of the shares of the Company are fully paid and other are partly paid, such capitalisation may be effected by the distribution of further shares in respect of fully paid shares and by crediting the partly paid shares with the whole or part of the unpaid liability thereon, but so that as between the holders of the fully paid shares and the partly paid shares, the sums so applied in the payment of such further shares and in the extinguishment of diminution of the liability on the partly paid shares shall be applied prorata in proportion to the amount then already paid or credited as paid on the existing fully paid and partly paid shares respectively.

### XXVII. ACCOUNTS

#### Books to be kept by the Company

177. (1) The Company shall keep at its office proper books of accounts with respect to the matters specified in Section 209 of the Act.

PROVIDED THAT all or any such books of accounts may be kept at such other place in India as the Board may decide, and when the Board so decided, the Company shall, within, seven days of such decision, file with the Registrar a notice in writing giving the full address of that other place.

(2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of Section 209 of the Act and sub-clause (1) of this Article, if proper books of accounts relating to the transactions effected at the branch office are kept at the office, and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Office or the other place referred to in sub-clause (1) of this Article .

(3) The books of accounts shall be open to inspection by any Director during business hours.

#### Statement of account to be furnished to General Meetings

178. The Board shall lay before each Annual General Meeting a Profit and Loss Account and a Balance Sheet made up as at the end of the financial year of the Company which shall be a date

**Form and contents of Balance Sheet and Profit and Loss Account**

179. (1) Every Balance Sheet of the Company shall give a true and fair view of the state of affairs of the Company as at the end of the financial year, and shall, subject to the provisions of Section 211 of the Act, be in the form set out in Part 1 Schedule VI to the Act, or as near thereto as circumstances admit, or in such other form as may be approved by the Central Government either generally or in the case of the Company, and in preparing the Balance Sheet due regard shall be held, so far as may be, to the general instructions for preparation of Balance Sheet under the heading "Notes" at the end of Part 1 of Schedule VI to the Act.
- (2) Every Profit and Loss Account of the Company shall give a true and fair view of the profit or loss of the Company for the financial year and shall comply with the requirements of Part II of Schedule VI to the Act, so far as they are applicable hereto.

**Authentication of Balance Sheet and Profit and Loss Account**

180. (1) Every Balance Sheet and Profit and Loss Account of the Company shall be signed on behalf of the Directors by the Managing Director, Director, Manager or Secretary if any, and by not less than two Directors of the Company :

PROVIDED THAT if there is only one Director present in India at the time, the Balance Sheet and Profit and Loss Account shall be signed by such Director, but in such case there shall be attached to the Balance Sheet and Profit and Loss Account a statement, signed by such Director, explaining the reason for non-compliance with the aforesaid provision requiring the signature of two Directors.

(2) The Balance Sheet and Profit and Loss Account shall be approved by the Directors before they are signed on their behalf and before their submitted to the Auditors of the Company for the Auditor's report thereon.

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

**Directors' Report.**

181. (1) There shall be attached to every Balance Sheet laid before the Company in General Meeting a Report by the Board with respect to :-
- (a) The state of the Company's affairs ;
  - (b) The amounts, if any which it proposes to carry to any reserves in such Balance Sheet ;
  - (c) The amount, if any, which it recommends should be paid by way of dividend; and
  - (d) The material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and date of the Report.
- (2) The Board's Report shall, so far as is material for the appreciation of the State of the Company's affairs by its members, and so far as it will not, in the Board's opinion, be harmful to the business of the Company or of any of its subsidiaries, deal with any changes which have occurred during the financial year:-
- (a) In the nature of the Company's business;
  - (b) In the Company's subsidiaries, if any, or in the nature of the business carried on by them; and
  - (c) generally in the class of business in which the Company has an interest.
- (3) The Board shall give the fullest information and explanation, in the Report aforesaid or, in cases falling under the provision to Section 222 of the Act, in an addendum to the Report, on every reservation, qualification or adverse remark contained in the Auditor's Report.
- (4) The Board's Report and any addendum there to shall be signed by its Chairman, if he is authorised in that behalf by the Directors, and, where he is not so authorised, shall be signed by such number of Directors as are required to sign the Balance Sheet and Profit and Loss Account

of the Company by virtue of sub-clause (1) of the preceding Article.

**Copy of Balance Sheet etc. to be sent to members.**

182. (1) A copy of every Balance Sheet (including the Profit and Loss Account, the Auditor's Report and every other document required by law to be annexed or attached, as the case may be, to the Balance Sheet) which is to be laid before the Company in the General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of twenty-one days before the date of the meeting.
- (2) A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit shall be sent to every member of the Company and to every trustee for the holders of any debentures issued, by the Company, not less than twenty-one days before the date of the meeting as laid down in Section 219 of the Act.

**Three copies of Balance Sheet etc. to be filed with Registrar**

183. (1) The Company shall within thirty days after the Balance Sheet and Profit and Loss Account shall have been laid before the Annual General Meeting, file with the Registrar three copies of the Balance Sheet and the Profit and Loss Account signed by the Managing Director, Manager or Secretary of the Company, together with three copies of all documents which are required by the Act to be annexed or attached to such Balance Sheet or Profit and Loss Account.
- (2) If the Annual General Meeting of the Company before which a Balance Sheet is laid as aforesaid does not adopt the Balance Sheet or is adjourned without adopting the Balance Sheet, or, if the Annual General Meeting of the Company for any year has not been held, a statement of that fact and of the reasons therefore shall be annexed to the Balance Sheet and to the Copies thereof required to be filed with the Registrar of Companies.

**XXVIII. AUDITORS**

**Auditors**

184. Auditors of the Company shall be appointed at every Annual General Meeting or otherwise as the occasion may require and their appointment and their re-appointment and the remuneration payable to them shall be in accordance with the provisions of Section 224, 224 A and 225 of the Act. The qualifications and disqualifications of Auditors shall be set out in Sections 224 and 226 of the Act and their powers and duties shall be as set out in Sections 227 and 228 of the Act. In regard to audit of the accounts of any branch office of the Company, the provisions of Sections 228 of the Act shall apply.

**XXIX. REGISTERS, BOOKS, DOCUMENTS AND ANNUAL RETURNS**

**Authentication of documents and proceedings**

185. Save as otherwise expressly provided in the Act, a document a proceeding requiring authentication by the Company may be signed by Director, Managing Director, Manager, Secretary or other authorised Officer of the Company and need not be under the Seal of the Company.

**Registers, Books and Documents.**

186. (1) The Company shall maintain all Registers, Indices, Books and documents as required by the Act and the Rules made there under and these Articles including the following, namely:-
- (a) Register of investments not kept in the Company's name according to Section 149 of the Act.
  - (b) Register of Mortgages, Debentures and charges according to Section 143 of the Act.
  - (c) Register and Index of Members and Debenture holders according to Section 150, 151 and 152 of the Act and the Rules made there under.
  - (d) Register of Renewed and Duplicate Certificates according to the Rules made under the Act.
  - (e) Register of Contracts, Companies and Firms in which Directors are interested according to Section 301 of the Act.
  - (f) Register of Directors etc. according to Section 303 of the Act.

(g) Register of Directors' and Managers' Shareholders and Debenture holdings according to Section 307 of the Act.

(h) Copies of Instruments creating any charge requiring registration according to Section 136 of the Act.

(2) The said Registers, Indices, Books and Documents shall be maintained in conformity with the applicable provisions of the Act and the Rules made thereunder, and shall be kept at the Office of the Company, or such other place or places as may be permitted by the Act and Rules made thereunder. Such Registers, Indices, Books and Documents shall be open for inspection by any such persons as may be entitled thereto under the Act on such days and during such hours as may, in behalf, be determined in accordance with the provisions of the Act or these Articles and extracts there from shall be supplied to such persons entitled thereto in accordance with the provisions of the Act and the Rules made thereunder and these Articles.

#### Annual Returns

187. The Company shall make and file with the Registrar the Annual Returns with documents and certificates in accordance with Section 159 and 161 of the Act, and the provisions of sub-clause (2) of preceding Article shall apply in relation to keeping copies of such Annual Returns, giving inspection and supplying copies thereof.

### XXX. WINDING UP

#### Distribution of Assets.

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

#### Distribution to specie or in kind

189. (1) If the Company shall be wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the Company, whether they shall consist of property of the same kind or not.
- (2) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such divisions shall be carried out as between the members or different classes of members.
- (3) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.

### XXXI. SECRECY CLAUSE

#### Secrecy Clause

190. No member shall be entitled to visit or inspect any establishment of the Company without the permission of the Directors, or require discovery of or any information respecting details of the Company's business or any matter which is or may in the nature of a trade secret, mystery trade or secret process, or any other matter 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 members of the Company to communicate to the public.

**XXXII. INDEMNITY****Indemnity**

191. Subject to the provisions of the Section 201 of the Act, every Director, and other officer or employee of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor, shall be indemnified out of the funds of the Company against all liabilities incurred by him and it shall be duty of the Directors, out of the funds of the Company to pay all costs, charges, expenses and damages which any such person may incur or become liable to by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such, if any, as he shall incur or sustain through or by his own wilful act, neglect or default), and, in particular and so as not to limit the generality of the foregoing provision against all liabilities incurred by him as such Director, Officer, Employee, or Auditor in defending any proceedings, whether civil or criminal, in which judgement is given in his favour, or in which it is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

**Individual responsibility of Director**

192. Subject to the provisions of the Act, no Director, Auditor or other Officer of the Company acting bonafide in the interest of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director, auditor or officer or for joining in any receipt or other act for conformity, or for any loss or expenses happening of the Company through the insufficiency or deficiency of title to any property acquired by order of the Director for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damage arising from insolvency, or tortious act of any persons, firm or company to or with whom any loss or damage arising from insolvency, or tortious act of any person, firm or company to or with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgement, omission, default or oversight on his part, or for any other loss, damage or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto, unless the same shall happen through his own dishonesty.
-

We, the several persons, whose names and addresses are hereunder subscribes below are desirous of being formed into a Company in pursuance of this ARTICLES OF ASSOCIATION and we respectively agree to take the number of shares in the capital of the Company, set opposite our respective names :

Names, Addresses, Description and Occupation of the Subscribers	Number of Equity Shares taken by each Subscribers	Signature of subscriber	Signature of Witnesses with addresses and occupation
<p><b>Om Prakash</b> S/o. Shri Ramkumar 191, Persipolice Apartment, Cuffe Parade, Mumbai- 400005.</p> <p>OCC: BUSINESS</p>	<p>1 (ONE) EQUITY SHARE</p>	<p>sd/-</p>	
<p><b>Shanti Swarup</b> S/o. Shri Ramkumar 191, Persipolice Apartment, Cuffe Parade, Mumbai- 400005.</p> <p>OCC: BUSINESS</p>	<p>1 (ONE) EQUITY SHARE</p>	<p>sd/-</p>	<p>Sd/- <b>K. N. Ajmera</b> 2/101, Pavan Baug, Malad (West), Bombay - 400 064.</p>
<p>TOTAL</p>	<p>2 (TWO)</p>		