

(UNDER THE COMPANIES ACT, 1956)

[::]

MEMORANDUM AND ARTICLES
OF
ASSOCIATION
OF
GARLON POLYFAB INDUSTRIES LIMITED

CERTIFIED TRUE COPY

For Garlon, Industries Limited

[::]

Authorized Signatory 12/12/2011

PUBLIC COMPANY LIMITED BY SHARES

CONSEQUENT ON CHANGE OF NAME

COMPANY NO. 20-12122

IN THE OFFICE OF REGISTRAR OF COMPANIES, U.P.,
KANPUR.

(Under the Companies Act, 1956 (1 of 1956))

In the matter of GARLON INDUSTRIES LIMITED.

I hereby certify that

GARLON INDUSTRIES LIMITED.

which was originally incorporated on 25th day of
July 1990 under the Companies Act, 1956
under the name Garg Polyesters Private Limited.

 having duly passed Special Resolution
on 27.03.1996 in terms of Section 21 of the
Companies Act, 1956 and the approval of the Central
Government signified in writing having been accorded
thereto in the letter No. /12122 dated 25.07.96
of the Registrar of Companies, Uttar Pradesh, Kanpur.
The name of the said company is this day changed to
GARLON POLYFAB INDUSTRIES LIMITED.

and this certificate is issued pursuant to Section
23(1) of the said Act.

Given under my hand at Kanpur this 25th day of July
(ONE THOUSAND NINE HUNDRED NINETY) SIX.



(R.L. KUKSEL)
REGISTRAR OF COMPANIES, U.P.
KANPUR.

No. 12122 / R.C.

Dated 25.07.1996

To

M/s GARLON POLYFAB INDUSTRIES LIMITED.
1st Floor, 14/102 A II Civil Lines
Kanpur.

FRESH CERTIFICATE OF INCORPORATION
CONSEQUENT ON CHANGE OF NAME
COMPANY NO. 20-12122

INTHE OFFICE OF REGISTRAR OF COMPANIES, U.P.,
KANPUR.

(Under the Companies Act, 1956 (1 of 1956))

In the matter of _____

GARLON POLYFAB INDUSTRIES LIMITED.

I hereby certify that _____

GARLON POLYFAB INDUSTRIES LIMITED.

which was originally incorporated on 25th day of
July 1990 under the Companies Act, 1956
under the name Garg Polyesters private Limited.

_____ having duly passed Special Resolution
on 07.02.1995 in terms of Section 21 of the
Companies Act, 1956 and the approval of the Central
Government signified in writing having been accorded
thereto in the letter No. 5395/12122 dated 31.03.95
of the Registrar of Companies, Uttar Pradesh, Kanpur.
The name of the said company is this day changed to
GARLON INDUSTRIES LIMITED.

and this certificate is issued pursuant to Section
23(1) of the said Act.



Given under my hand at Kanpur this 31st day of March
(ONE THOUSAND NINE HUNDRED NINETY) FIVE.

(R.D. KUREEL)

REGISTRAR OF COMPANIES, U.P.
KANPUR.

No. 12122 / 107 / _____

Dated 31.03.95

To

M/s GARLON INDUSTRIES LIMITED.
14/102, A, II Civil Lines Kanpur.

CERTIFIED TRUE COPY

For Garlon Industries Limited

FRESH CERTIFICATE OF INCORPORATION

CONSEQUENT ON CHANGE OF NAME

COMPANY NO. 20-12122

IN THE OFFICE OF REGISTRAR OF COMPANIES, U.P.,
KANPUR.

(Under the Companies Act, 1956 (1 of 1956))

In the matter of M/S GARG POLYESTERS LIMITED

I hereby certify that M/S Garg Polyesters Limited.

which was originally incorporated on 25.07.1990 day of
_____ under the Companies Act, 1956
under the name M/S Garg Polyesters Limited.

_____ having duly passed Special Resolution
on 13.02.1993 in terms of Section 21 of the
Companies Act, 1956 and the approval of the Central
Government signified in writing having been accorded
thereto in the letter No. /12122 dated 17-2-1993
of the Registrar of Companies, Uttar Pradesh, Kanpur.
The name of the said company is this day changed to
M/S G GARLON POLYFAB INDUSTRIES LIMITED

and this certificate is issued pursuant to Section
23(1) of the said Act.

Given under my hand at Kanpur this 17th day of February
(ONE THOUSAND NINE HUNDRED NINETY) Three.

(R.D. KUREHL)
REGISTRAR OF COMPANIES, U.P.,
KANPUR.

No. 12122 /RC/ _____

Dated 17-2-1993

To

M/s Garlon Polyfab Industries Limited
1st Floor, 14/102 A II Civil Lines,
Kanpur



FRESH CERTIFICATE OF INCORPORATION

CONSEQUENT ON CHANGE OF NAME

COMPANY NO. 12122

IN THE OFFICE OF REGISTRAR OF COMPANIES, U.P.,
KANPUR.

(Under the Companies Act, 1956 (1 of 1956))

In the matter of GARG POLYESTERS PRIVATE LIMITED

I hereby certify that Garg Polyesters Private Limited

which was originally incorporated on 25th day of

July 1990 under the Companies Act, 1956

under the name GARG POLYESTERS PRIVATE LIMITED

having duly passed Special Resolution

on 4-1-1993 in terms of Section 31/44(2)(b) of the

Companies Act, 1956 ~~and the approval of the Central~~

~~Government signified in writing having been accorded~~

~~thereon in the letter No. xxxxxxxx dated xxxxxxxx~~

~~of the Registrar of Companies, Uttar Pradesh, Kanpur.~~

The name of the said company is this day ~~changed~~ converted

GARG POLYESTERS LIMITED

and this certificate is issued pursuant to Section

31/44(2)(b).

~~Section~~ of the said Act.

Given under my hand at Kanpur this 5th day of February

(ONE THOUSAND NINE HUNDRED NINEY) Three

(R.D. KUREEL)

REGISTRAR OF COMPANIES, U.P.,
KANPUR.

6-2-1993

No. 12122 /RC/

Dated _____

To

M/s Garg Polyesters Limited .
14/102 A II Civil Lines,
Kanpur





कम्पनी अधिनियम

फॉर्म आई. आर.

Form I. R.

निर्माण का प्रमाण-पत्र

CERTIFICATE OF INCORPORATION

का सं. 20-12122 of 1990

मैं एवम् द्वारा प्रमाणित करता हूँ कि नाम

कम्पनी अधिनियम 1956 (1956 का 1) के अधीन नियमित की गयी है और वह कम्पनी परिचीकृत है।

I hereby certify that GARG POLYESTERS PRIVATE LIMITED

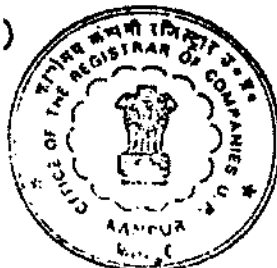
is this day incorporated under the Companies Act, 1956 (No. 1 of 1956) and that the Company is limited.

मेरे हस्ताक्षर से आज का. को दिया गया।

Given under my hand at Kanpur this 25th

day of July one thousand nine hundred and Ninety

3rd Sravana 1912(S.E.)



S.P. Tayal
25.7.90

(S.P. TAYAL)

कम्पनी रजिस्ट्रार

उ. प्र. कानपुर

Registrar of companies
U. P. KANPUR

UNDER THE COMPANIES ACT, 1956

(COMPANY LIMITED BY SHARES)

MEMORANDUM OF ASSOCIATION

OF

GARLON INDUSTRIES LIMITED

- I. The Name of the Company is GARLON INDUSTRIES LIMITED.
- II. The Registered Office of the Company will be situated in the State of Uttar Pradesh.
- III. The Objects for which the Company is established are :
 - [A] MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE :
 1. To carry on the business as manufacturers, processors, combers, dyers, bleachers, laminators, bidders, spinners, crimpers, texturising, twisting, carding, sizing, printing of all kinds and types of yarn, fibre, cloth, textile material whether an agricultural or animal or natural product or its bye-products or chemical or synthetic fibre, and to act as dealers, weavers, knitters and manufacturers of cloth, garments and hosiery made up wholly or partially of cotton, viscose, silk, wool, terene, terylene, staple fibre, nylon, polyester, plastic or synthetic fibre.
 2. To carry on the business as Importers, exporters, agents, distributors, stockists, contractors, assemblers, wholesalers, retailers and dealers in all kinds of synthetics and man-made fibres and to process all such fibres including fibre into materials and finished articles for household, domestic, commercial and industrial use.

[B] OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS :

1. To enter into, make and perform contracts of every kind and description, agreements and arrangements with any person, firm and association, corporation, municipality, country, state, body, political or government or colony or dependency thereof.
2. To carry on business as importers, exporters, buyers and sellers of and merchants and dealers in and manufacturers of merchandise, goods, materials and machinery of all kinds, spare parts, accessories and equipments for the business of the Company.
3. To set up mills or plants for the utilisation of bye products of items covered in the main objects of the company.
4. To manufacture buy, exchange, alter, improve, manipulate, prepare for market and otherwise deal in all kinds of plant, machinery, apparatus, tools, utensils, receptacle, substances, materials, articles and things necessary or conveniently for carrying on any of the business or processes of the Company usually dealt in by persons engaged in the like business or processes.
5. To buy, sell, manufacture, refine, manipulate, import, export and deal in substances, apparatus and things capable for being used in any business of the Company or required by any customers or person having dealings with the Company.
6. To repair, alter, remodel, clean, renovate, convert, manipulate and prepare or resale and resell and goods from time to time belonging to the Company.
7. To employ, experts to investigate and examine into the condition, prospects, value, charter and circumstances of any business concerns and undertaking and generally of any assets, property or rights belonging to the Company.
8. To purchase, take on lease or licence or in exchange or hire or otherwise any real any/or personal property and any rights or privileges, which the Company may think necessary or convenient for the purposes of its business or may enhance the value of any other property of the Company and in particular, any land (freehold, leasehold or other tenure), building, easement, machinery, plant and stock-in-trade and on any such lands to erect building, factories, sheds, godowns or other structures for the works and purposes of the Company, and also for the residence and amenity of its employees, staff and other workmen and erect building, factories, sheds, godowns or other structures for the works and purposes of the Company, and also for the residence and amenity of its employees, staff and other workmen and erect and install machinery and plant and other equipments deemed necessary or convenient or profitable for the purpose of the Company and either to retain any property to be acquired for the purposes of the Company's business or to turn the same to account as may seem expedient.

9. To build, construct, maintain, enlarge, pull down, remove or replace, improve, develop and to work, manage and control any buildings, offices, factories, mills, foundries, refineries, furnaces, godowns, warehouse, shops, machinery, engines, roads, ways, railways, tramways, roadways or other means of transport, sidings, bridges, reservoirs, dams, water-courses, water systems, wharves, electrical works, gas works, or works operated by any other kind of power and also such other machinery, equipment, conveyances works and conveniences which may seem calculated directly or indirectly to advance the interests of the Company and to subsidise, contribute to or otherwise assist or take part in doing any of these things and/or to join with any other person or company or with any government or governmental authority in doing any of these things.
10. To carry on the business of a waterworks Company in all its branches and to sink wells and shafts, and to make, build and construct, lay down and maintain, reservoirs, waterworks, cisterns, culverts, filter, beds, 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 and distributing water for the purpose of the Company.
11. To let on lease or on hire-purchase system or to lend or otherwise dispose of any property belonging to the Company, and to finance the purchase of any article or articles, whether made by the Company or not by way of loans or by the purchase of any such article or articles and the letting thereof on the hire- purchase system or otherwise howsoever.
12. To sell, lease, mortgage, grant, licences, easements and other rights over and in any other manner whatsoever, to transfer, deal with or dispose of the undertaking, property, assets, rights and effects of the Company of any part thereof, for such consideration as the company may think and in particular; for share, stocks, debentures or other securities of any other company whether on not having objects altogether or in part similar to those of the Company.
13. To amalgamate, enter into partnership, or into any arrangement for sharing profits, union of interests, co-operation, joint adventure or reciprocal concession, or for limiting competition with any person, firm or company carrying on or engaged in or about to carry on or engage in any business or transaction with the company is authorised to carry on, or engaged in, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly benefit the Company.
14. To purchase or otherwise acquire and undertake the whole of any part of the business, property, right and liabilities of any person, firm or company carrying on or proposing to carry on any business which this Company is authorised to carry on, or possessed or property or rights suitable for any of the purposes of the Company, or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company and to purchase, acquire, sell and deal in property, shares, stocks, debentures-stock of any person, firm or company and to conduct, make or to carry into effect, any arrangement in regard to the winding up of the business of any such person, firm or company.
15. To enter into partnership or into any arrangement for sharing profits or losses, or for any union of interest, joint, adventure, reciprocal concession or co-operation with any person

or persons, or company or companies carrying on, or engaged in or about to carry on, or engaged in or being authorised to carry on, or engage in any business or transaction which this company is authorised to carry on or engaged in, or in any business or transaction capable of being conducted so as directly or indirectly to benefit this Company.

16. To establish or promote or concur or be interested in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of the Company or for any other purpose whatsoever and to transfer to any such company any property of this Company and to place or guarantee the placing, of underwrite, subscribe for or otherwise, acquire all or any part of the shares, debentures or other securities of any such other Company and to subsidise or otherwise assist any such other company.
17. To underwrite, acquire by purchase, subscription or otherwise and to receive, hold, own, guarantee, sell, assign, exchange, transfer, mortgage, pledge, otherwise dispose off or deal in and with any of the shares of the capital stock, any voting trust certificates in respect of the shares of capital stock, scrip, warrants rights, bonds, debentures, notes, trust, receipt and other securities, obligations, choose-in-action and evidences of indebtedness or interest issued or created by any corporations, joint-stock companies, syndicates, associations, firms, trusts or persons, public or private, or by the Government of India or by any foreign Government, or by any State, territory, province, municipality or other political sub-division or by any governmental Agency, and as owner thereof to possess and exercise all the rights, powers and privileges, of ownership, including the right to execute consents and vote thereon, and to do any and all acts and things necessary or advisable for the preservation protection, improvement and enhancement in value thereof.
18. To pay for any rights or property acquired by the Company and to remunerate any person or company whether by cash payment or by allotment of shares, debentures or other securities of the Company credited as paid up in full or in part or otherwise.
19. To acquire, hold, use, sell, assign, lease, grant licences in respect of mortgage, pledge, or otherwise dispose of in any part of the world any patents of India, patent rights, licences and privileges, inventions, improvements and processes, copy right, trademark, trade names, concessions and formula of any mixture whatsoever, and apply for purchase or otherwise acquire and protect and renew in any part of the world any patents, patent right, brevets, d'invention, trade mark, designs, licences, concessions and the like conferring any exclusive or non-exclusive or limited right to their used or any secret or other information as to any invention which may seem capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company, and to use, exercise, develop or grant licences in respect of, or otherwise turn to account the property, right or information so acquired and to expend money in experimenting upon, testing or improving any such patents, inventions or rights and without prejudice to the generality of the inventions or rights and without prejudice to the generality of the above any contracts monopolies or concessions or in relation to the supply and sale of any minerals, metals, products, or other substances, materials, articles or things or equipment for or in relation to the construction or control of any works and conveniences, required for the purpose of carrying out any of the business which the company is entitled to carry on and to undertake, execute, carry out, dispose off, or otherwise turn to account, such contracts, monopolies or concessions.

20. To enter into any arrangement with any Government or authority, Central, State, Local or Foreign or public body, or persons or authority or any private individual that may seem conducive to the company's objects or any of them and to obtain from any such Government, authority, person or company any concessions, grants, decrees, rights, charters, contracts, licences, powers and privileges whatsoever which may seem to the Company capable of being turned to account or which the Company may think directly or indirectly conducive to any of its objects or capable of being carried on in connection with its business, and to work, develop, carry out, exercise and turn to account the same.
21. To apply for promote and obtain an Act of Parliament, charter, privilege, concession, licence or authorisation of any Government, State or Municipality, provisional order or licence of any authority for enabling the Company to carry any of its objects into effect or for extending any of the power of the Company or for effecting and modification of the constitution of the Company or for any other purpose which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice and interests of the Company.
22. To establish, maintain and conduct training schools, courses and programme connection with the sale, installation, use, maintenance, improvement or repair of machines, apparatus, appliances or products and of articles, requires in the use thereof or used in connection therewith by the Company, and establish, provide, maintain and conduct, or otherwise subsidise research laboratories and experiments and to undertake and carry on with all scientific and technical researches, experiments and tests of all kinds and to promote studies and research, both scientific and technical, investigations and invention by providing, subsidising, endowing or assisting laboratories workshops, libraries, lectures, meetings, and conferences and by providing for the remuneration of scientific or technical professors or teachers and by providing for the award of exhibitions, scholarships, prizes and grants to students or otherwise and generally to encourage, promote and reward studies, researches, investigations, experiments, tests and inventions of any kind that may be considered likely to assist any of the business which the Company is authorised to carry on.
23. To acquire from any person, firm or body corporate, whether in India or elsewhere, technical information, know-how processes, engineering, manufacturing and operating data, plans, layouts and blue-prints useful of the design, erection and operation of plant required for any of the business of the Company and to acquire any grant or licence and other rights and benefits in the foregoing matters and things.
24. To make donations to such persons or institutions and in such cases and of cash or any other assets as may be thought directly or indirectly conducive to any of the Company's objects or otherwise expedient and in particular to remunerate any person or corporation introducing business to this Company, and also to subscribe, contribute, or otherwise, assist or guarantee money for charitable, scientific, religious or benevolent, national, public or political or other institutions, objects or for any exhibition or for any public, general or other objects.
25. To establish and maintain or procure the establishment and maintenance of any contributory

of non-contributors provident, pension or superannuation funds for the benefit of and give or procure the giving of donations, gratuities, pension, allowances or emoluments to any persons who are at any time in the employment or service of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary company or who are or were at any time the directors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependents of any such persons and also establish and subsidise and subscribe to any institutions, associations, clubs or funds calculated to the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid and make payments to or towards the insurance of any such person as aforesaid and to any of the matters aforesaid either alone or in conjunction with any such other Company as aforesaid.

26. To give to any officers, servants or employees of the Company any share or interests in the profits of the Company's business or any branch thereof, and whether carried on by means or through the agency of any subsidiary company or not, and for that purpose to enter into any arrangements which the Company may think fit.
27. To train or pay for the training in India or abroad of any of the company's employees or any candidate in the interest or for furtherance of the company's objects.
28. To provide residential and/or sleeping accommodation for workmen and others, and in connection therewith to afford to such persons facilities and conveniences for washing, bathing, cooking, reading, writing and finding employment, and for the purchase, sale and consumption of provisions both liquid and solid and for the safe custody of goods.
29. To refer or agree to refer any claim, demand, dispute or any other question by or against the Company, or in which the Company is interested or concerned and whether between the Company and the member or members or his or their representatives, or between the Company and third parties, to arbitration in India or at any place outside India, and to observe and perform and to do all acts, deeds, matters and things to carry out or enforce the awards.
30. To pay out of the funds of the Company all costs, charges and expenses which company may lawfully pay with respect to the promotion, formation and registration of the Company and/or the issue of its capital or which the Company shall consider to be preliminary, including therein the cost of advertising, printing and stationery and commission for obtaining application for taking, placing the underwriting or procuring the underwriting of shares, debentures or other securities of the Company and expenses attendant upon the formation of agencies, branches and local boards.
31. Upon any issue of shares, debentures or other securities of the Company, to employ, brokers, commission agents and underwriters and to provide or the remuneration of such persons for their services by payment in cash or by the issue of shares, debentures or other securities of the Company or by the granting of options to take the same, or on any other manner allowed by law.

32. To borrow or raise money or to receive money, on deposit or loan at interest or otherwise in such manner as the Company may think fit, and in particular by the issue of the debentures, or debentures, stock (perpetual or otherwise) and convertible into shares of this or any other company or not to secure the repayment of any such money borrowed, raised or received or owing by mortgage, pledge, charge or lien upon all or any of the property, assets or revenue of the Company (both present and future) including its uncalled capital and to give the lenders or creditors the powers of sale and other powers as may seem expedient and to purchase redeem or pay off any such securities and also by a similar mortgage charge or lien to secure and guarantee the performance by the company or other person, firm or company of any obligation undertaken by the Company or any other person, firm or company as the case may be.
33. To lend and advance money or to give credit to such persons or companies and on such terms as may seem expedient and in particular to customers and others having dealings with the Company and to guarantee the performance of any contract or obligation and the payment of money of or by any such persons or companies and generally to give guarantees and indemnities.
34. To invest and deal with money of the Company in such manner as may from time to time be determined.
35. To take or concur in taking all such steps and proceeding as may seem best calculated to uphold and support the credit of the Company and to obtain and justify public confidence and to avert or minimise financial disturbances which might affect the Company.
36. To confer upon any encumbrancer or trustees for any encumbrances of uncalled capital, such powers of making and enforcing calls and of voting the transfer of shares not fully paid up as may be thought fit.
37. To issue or guarantee the issue of or the payment of interest on the shares, debentures, debenture stock or other security or obligations at any company or association and to pay or provide for brokerage, commission and underwriting in respect of any such issue.
38. To draw, make, accept, endorse, discount, execute and issue and negotiate bills of exchange, hundies bills of lading, promissory notes, warrants, debentures and other negotiable or transferable instruments or securities.
39. Subject to Section 58A of the Companies act, 1956 and rules, framed thereunder and directions issued by Reserve Bank of India from time to time to borrow or raise money on loan with or without interest or receive deposits for the purpose of Company by promissory notes, bills of exchange and other negotiable instruments or by mortgage, charge by hypothecation or pledge or by debentures perpetual or otherwise including convertible into shares of this Company charged upon all or any of the Company's properties 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 with or without security or otherwise, (merely for the purpose of financing the business of the Company) and to lend

money to customers and others having dealings with the Company and to guarantee for performance of contracts, agreements by such persons and including all deeds, writings and assurances for any of the aforesaid purposes or to arrange bank guarantee for the customers with or without security on commission or otherwise; Provided the Company shall not carry on Banking business as provided in the Banking Regulation Act, 1949.

40. To subsidise, assist and guarantee the payment of money by to the performance of any contract, engagement or obligation by any persons or companies and in particular, customers of the Company any person or companies and whom the Company may have or intend to have business relations.
41. To vest any real or personal property, right or interests acquired by or belonging to the company in any person or company or on behalf of or for the benefit of the Company and with or without any declared trust in favour of the Company.
42. To act as agents or brokers and as trustee for any person or company and to undertake and perform sub-contracts and to do all or any of the above things in any part of the world and as principals agents, contractors, trustees or otherwise and by or through agents, sub-contractors or trustees or otherwise and either alone or jointly with others.
43. To procure the registration or other recognition of the company in any country, state or place and establish and regulate agencies for the purpose of the company's business.
44. Subject to the provisions of Section 205 of the Companies Act, 1956 or any other law for the time being in force, to contribute in specie or otherwise as may be resolved any property of assets of the Company or any proceeds of sale or disposal of any property or assets of the company including the shares, debentures, or others securities or any other Company formed to take over the whole or any part of the assets or liability of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being acquired by law.
45. To carry on any business or branch of a business which this Company is authorised to carry on by means or through the agency of the subsidiary company or companies and to enter into any arrangement with any such subsidiary company for taking the profits and bearing the losses of any business or branch so carried on, or 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 either temporarily or permanently to close any such business or branch and to act as managers or to appoint directors or managers of any such subsidiary company.
46. To do all or any of the above things either as principles, agents, trustees, contractors or otherwise and either by or through agents, sub-contractors, trustees or otherwise and either alone or in conjunction with others and to do all such things as are incidental or conducive to the attainment of the objects.

9 OTHER OBJECTS :

- 1. To do the business of Financiers, carriers, transport agencies, auctioneer, clearing and forwarding agents, subjects to law as may be applicable. The Company shall not carry on the business which is prohibited by Regulation Act, 1949 and the Prize Chits Fund and Money Circulation Shares (Banning) Act, 1978.**
- 2. To carry on the business of farming including as dairy men, fruit farmers, livestock, breeders, poultry farmers, timber growers, horticulturists seed, merchants, processors of agricultural produce and generally to manage, improve farm, cultivate, acquire, lease, undertake, exchange, purchase, sell or otherwise deal with or dispose of agriculture land and generally to carry on the business of advisers on problems relating to the administration organisation and work of farms, trailing of personnel thereof, of system or processes relating to the production, storage, distribution, marketing and sale thereof and/or relating to the rendering of services in connection therewith.**
- 3. To build, take on lease, purchase or acquire in any manner whatsoever and apartments, houses, flats, rooms, but or other accommodation for men and animals and to let or dispose of the same on instalment basis, lease, rent or hire purchase basis or by outright sale whether by private treaty or by auction or in order mode of disposition all or any integral part thereof.**
- 4. To convert, treat or turn to account by any process or method, manufacture, chemical synthetic or otherwise or in any other manner, timber, wood, dropping, fly cotton waste, cotton seeds, bamboo, grass, straw, jute, sticks, sisal, fibre, flax, hemp, hessian, gunnies, sugarcane, bagasse, lather, asbestos, rags, waste paper, water hyacinth or any kind of pulp or other substances prepared from those or from other vegetable, minerals, chemicals or any other substance and prepare manufacture, newsprint, paper and boards of all kinds whether grey bleached, unbleached, dyed, printed and such other by products as may be practicable or deemed expedient.**
- 5. To carry on business in India and elsewhere as manufacturers, processors, importers, exporters, distributors, dealers and stockists in all classes of leather, rexine, fibre, glass fibre sheet, polypropylene, A.B.S. their products and by products and allied items there of and all articles produced or used by manufactures of and dealers in appliances for the above traders of any of them.**
- 6. To carry on business in India and elsewhere as manufacturers, processors, importers, exporters, distributors, dealers, stockists in all classes of hides skins and other materials required for converting hides and skin into leather and to carry on all or any of the businesses of tanners, curries, hide and skin merchants or any other business of allied nature whether manufacturing or otherwise.**
- 7. To acquire by purchase, subscription, exchange of shares or otherwise and hold or deal with and dispose of or reissue, with or without guarantee, and securities or shares or other interest or in any other Company, Firm or Association and to acquire by purchase, take on**

lease, or otherwise deal with all or any part of the undertaking, business or property of any other Company, Firm or Association or other person, for such consideration and either wholly or partly in cash, shares, securities or property as the Company may think fit.

8. To establish, build, manage and run flour Mills, Oil, Mills, Paper Mills, Rice Mills and Dal Mills, Manufacturing plants, Oil hydrogenating and Oxygenating plants, oil splitting plants, Candle Manufacturing plants, Chemical plants, Rice and Dal Mills plants and manufacturing all such articles, tools and things required for the above business.
9. To act as cinema theatre owners, purchase, hire, acquire, lease or sell the cinema theatres and to carry on the business of cinematographic film producers, exhibitors and distributors, theatrical performances, circus, plays, open air theatres, dances, musical and other entertainment of all kinds games and sports both indoor and outdoor dramatic and other performance of all kinds.
10. To carry on all or any of the business as manufacturers and dealers in all types of organic heavy and inorganic heavy chemicals, fine chemicals, including photographic, chemicals and other chemical substances of all kinds, basic, intermediate, finished or otherwise all types of synthetic fibre, fibre intermediates of all types, grades and formulation and including specifically polyester fibre, polyester acrylonitrile, polyvinyl acetate, polypropylene, nylon, natural and synthetic textiles materials of all kinds and for all purposes, polymers, monomer elastomers and resins of all types, grades and copolymer formulation and in all forms such as powders, flakes, granules, film sheets, tubes, pipes, fibre, laminates or as processed goods and including specifically polyethylene, polypropylene, polystyrene, polyvinyl chloride, polyvinyl acetate, polymethyl methacrylate, epoxy resin alkyd resins, melamine, polycarbonates, polyamides, polyester, acrylics, polyacrylonitrile, polyesters such as polyethylene terephthalate and polyethylene isophthalate, or any other or new substances being improvement upon, modifications of or being derived from additions to petro chemicals or other products or resulting from any process.
11. To carry on business in any part of the world as distillers, brewers, fruit growers, preservers, manufacturers and refiners of, and merchants and dealers in sugar, molasses and similar by products, beer, ale, port, stout wines, spirits, aerated waters and liquors of every description whether intoxicating or not, and of cases bottles and other receptacles for the same and malt, hops, grains, meal, feast.
12. To render engineering, technical, management and other types of skilled services to all types of industries or organizations in India or abroad, and without limiting the generality off the above to act as consultants to Firms, Companies, Individuals, Association of persons, Municipalities, Government or Quasi Government Department.
13. To carry on the business of manufacturers, producers, refiners, processors, miners, exporters, importers, buyers and sellers of and dealers in and with all and any facts, fertilizers, plasticisers, enzymes, acids, amino acids, sulphates, by any chemical or synthetic process, manures, dips, sprays, vermifuges, fungicides, insecticides, pesticides, germicides, disinfecting preparations, fumigators, medicines and remedies and preservatives of all kinds of agricultural and other trees and fruit growing, gardening,

horticultural and other purposes, or as disinfectants, or preventives, remedies for human or animals and whether produced from vegetable, mineral gaseous, animal or any other matters or substances by any process, whether chemicals, chemicals synthetic, mechanical, electric or otherwise.

14. To carry on the business of manufacturers, assemblers, repairers, fabricators, buyers, sellers, importers, exporters and dealers in bicycles, tricycles, motorcycles, scooters, scooterettes, motor cars, truck, an other vehicles and other transport equipment fork-lift, trucks, cranes and other material handling equipment tractor and agricultural and farm equipment diesel, petrol and other engines, machinery, equipment and devices for mechanical, electrical, hydraulic and pneumatic power generation, transmission, application, control use; and any or all ancillary accessory or allied equipments devices; components, parts, spare parts for any of all of the above.
15. To carry on business of manufactures and sellers of and dealers in and agents for all kinds of radio apparatus; all kinds of electric lamps, including gas filled lamps, vacuum lamps, carbon, lamps and are lamps; electric discharge tubes and other articles, instruments and things required for or capable of being used for on in connection with the generation, transformation propagation, radiation, distribution supply accumulation, and employment or application of electricity for radiating, wires for wireless, signalling, lighting, heating, motive power, X-ray, medical and other purposes whatsoever and construct, maintain, carry out, work, buy, sell, let on hire and deal to works, plant and machinery, conveniences, and things of all kinds capable of being used in connection with such purposes of any kind, including, cables, wires, lines, stations, exchanges, accumulators, dynamos, motors, batteries, switching, regulating, controlling, signalling and medical apparatus, lamps, meters and engines.
16. To carry on business of manufacturers of and dealers in all kinds or classes of paper, board and pulp including writing paper, printing paper, absorbent paper, newsprint paper, wrapping paper, tissue paper, cover paper, blotting paper, filter paper, antique paper, ivory finish paper, coated paper, art paper, bank and bond paper, badami, brown and buff paper, bible paper, cartridge paper, cloth lined paper, azure laid wove paper, cream laid and wove paper, grease, proof paper, gummed paper, hand made paper, parchment paper, kraft paper, manila paper, envelop paper, tracing paper, vellum paper, waterproof paper, sensitized paper, chemically treated paper, paste board duplex and triplex board, hard board, plywood board, post cards, visiting cards, etc., soda pulp, mechanical pulp, sulphite pulp, semi chemical pulp and also deal in or manufacture of any other articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.
17. To cultivate tea, coffee, cinchona, rubber and other produce and to carry on the business of tea planters in all its branches to carry on and work the business of cultivators, viners and buyers of every kind of vegetable mineral or other produce of the soil to prepare manufacture and render marketable any such produce, either in its prepare, manufactured or raw state and either by wholesale or retail.
18. To carry on the business as manufacturers and sellers of and dealers in and agents for all kinds of luminous electrical sings, devices, ornamental and decorative work, electrical,

mechanical and other advertising signs, material for electrical material of any and every description, to contract for the lighting of any public and private place or property by electrical or other source and to establish and maintain centres from which light, heat or power may be distributed in or any way or supplied for used or any purposes and to contract for the performance any service or the execution of any work which can be effected, by electricity, magnetism or any mechanical and scientific process.

19. To mine, acquire, fabricate, deal in construct, build and equip factories for the manufacture of mica, mica paper, micanite, flexible, micanites and mica and mica paper products and by products.
20. To acquire by lease exchange or otherwise and carry on the business as manufacturers, suppliers, importers, exporters and dealers in refractory, goods, fire bricks, fire cements and mortars acid proof bricks, inclination bricks, ceramic coatings and other ceramic products including glass ware and potteries and all types of mineral chemicals.
21. To carry on the business of manufacturers and dealers in all kinds of laminated of glassine, paper, board, cellophane, biaxial, oriented polypropylene, polyester, roil, kraft, flexible films and manufacturers and dealers of printed or unprinted cartons, leaflets, folders and stickers and couches of various types.
22. To carry on the business of manufacturers, distributors, setters, buyers, exporters and importers of containers, bottles, tube drums and other packaging, articles made from all types of material and substances of different shades, dimensions and thickness and suitable for all types of packaging.
23. To carry on the business of manufacturers and dealers in all kinds of printers, stereo-typers, rot gravure printers, electro- type photographic, printers, art printers, lithographers, chromolithographers engravers, block makers, die sinkers, die stampers, machine rulers, numerical printers, paper makers, paper bags, book setter diary printers, card printers and to work and run all kinds printing press either by mechanical, petrol electricity power or any motive power.
24. To carry on the business of manufacturers, and dealers of all kinds of aluminium products and aluminium foils.
25. To carry on the business as manufacturers, exporters, importer, sellers, buyers and/or in rubber, synthetic rubber, vulcanising materials, rubber tubes, films, moulded goods, foam rubber hygienic goods made of rubber, tubes and latex, other rubber products, transmission belts and conveyors, rubber bottles and closures and rubber lined vessels, toys and other allied goods, leather, floor cloth, dress preservers, dress linings, umbrella, water proof goods and all kinds of articles made therefrom.
26. To search for, get, work, raise make merchantable, sell, import, export and deal in coal, iron, ironstone, brick earth, bricks and other materials, minerals and substances and to acquire

by purchase or otherwise patent rights, good will, established factories and mines for the purpose of Company's business.

27. To acquire and carry on the business of manufacturers, producers, processors, importers, exporters, buyers, sellers of and deals in all kinds of oils, hydrogenated, dehydrated, deodorised otherwise and other vegetable products including vegetable ghee allied products, by products and substitutes for all or any them and to treat and utilise any waste arising from any such manufacture production of process, whether carried on by the Company to otherwise.
28. To acquire by lease, exchange or otherwise and carry on business as proprietors and publishers of newspapers, journals, magazines reviews, books and other literary works and act as advertising agents, book sellers and printers.
29. To carry on in India or elsewhere the business as manufacturer of non ferrous metals, steel, alloy, steel special and stainless steel, shaftings, bars, rods, flats, squares, from scrap sponge, iron, pre-reduced billets, including manufacturing, convertible processing and fabricating all types of electrical wires, enamel wires, cables, conductors, pipes, utensils, wire, nails, wire ropes, products, screws, expanded, metal, hinges, plate, strips hoops, round, circles, angles and to manufacture any other engineering products including hospital appliances, and surgical instrument and to act as exporters and Importers and dealers in all such and allied merchandise.
30. To design, build, construct, alter, improve, maintain, enlarge develop, pull down, remove or replace and to work, manage, lay out and control any buildings, offices, factories, furnaces, kilns, shops, stores, roadways, bridges, reservoirs, ware houses, water works, gardens, parks and other works and conveniences relating to civil works including construction and exhibition of cinema which may seem calculated directly or indirectly to advance Company's interest and to contribute, subsidise or otherwise assist or take part, in the construction improvement, maintenance, working, management, carrying or control of multi-story buildings and to sell or otherwise dispose of the same on ownership or instalments basis.
31. To carry on all or any of the business of manufacturers, exporters, importers, hires, maintainers of and dealers in electrical and electronic appliances and apparatus, including transistors semi-conductors, integrated circulates solid state devices and components, valves, cathode ray tubes, resistors, fixed and variable capacitors, fixed and variable inductors, coils and transformers, fixed turnable and variable wires, cable tuners, plugs, sockets, jacks and adapters, electric, micronomes, analyzers, testers, controllers, stabillizers, oscilloscopes of all kinds and description including components, parts, material and accessories thereof.
32. Subject to design, manufacture, assemble, process, import, export, buy, sell and otherwise deal in all types and description of full cells, primary and secondary cells and batteries, including wet and dry hybrid, stationery, traction, portable, high performance, high temperature, with inorganic and/or organic electrolytes, lanche mercury, ammonium chloride, manganese dioxide/zinc voltaic, alkaline manganese mercury oxide/zinc (Ruben millor or Kallium) and nickel iron.

33. To manufacture, refine, standardise, produce, store, purchase, sell, let, hire, trade, import, export and generally deal in :
- ✓(a) Glass bottles, phials, ampoules, capsules, stoppers, packing cases, pill boxes, card board boxes, cartons and other containers and packing articles.
 - (b) Pharmaceutical, surgical, obstetrical, medical, electrical, chemical, mechanical, photographic and scientific apparatus, appliances, instruments, machines, materials and other articles and things necessary or used for industries and industrial development.
34. To start, equip, run and maintain analytical, clinical, bacteriological and pathological laboratories, hospitals, dispensaries, nursing homes, maternity homes, child welfare and family welfare centres, diagnostic centres, blood bank, X-ray clinics, sanatoriums, health resorts and the like and to undertake the business of fittings up laboratories and workshops and supplying their requirements.
35. To investigate the chemical and medical properties of indigenous drugs and herbs and standardise their active principles and manufacture there from useful medical preparations and popularise their use.
36. To acquire or set up and run schools, colleges, training and professional institutions and music, dance and art centres.
37. To carry on in India or abroad the business of the manufacture by any process, distribution, purchase, sale, import and export of energy fuels of whatsoever nature and kind including fuels used for generating energy with the aid of mineral, oils, fire, nuclear substances, bio-mass, coal, hydrocarbons, industrial, domestic or other wastes and the like.
38. To carry on in India or abroad the business of the manufacturers of chemicals and other substances, equipment, appliances, devices, components required in connection with the manufacture, generation, sale and distribution of energy and energy appliances, whether used for hydro energy, oil energy, electric energy, nuclear energy, natural gas, thermal energy of any other form of energy whatsoever.
39. To carry on in India or abroad the business of the manufacture of brickettes, by any process developed in India or abroad from wastes including bagasse, wheat straw, rice husk, saw dust, oil cake, coal dust, forest, animal or plant waste or any, other item capable of being used for the purpose.
40. To carry on in India or abroad the business of the manufacture of chemical and other substances, equipments, appliances, devices, components required in connection with the manufacture generation, sale and distribution of energy appliances, whether used for solar energy, wind energy, fire energy, biomass energy, coal energy from waste products of any kind whatsoever.

41. To establish, purchase, or otherwise acquire, run, conduct and operate a cold storage, warehouse, dry storage warehouse, bounded warehouses for the preservation, storage and treatment of merchandise food products and firm products.
42. To manufacture, export, import, repair, renovate, and deal in refrigeration plants, frigidaire and other cooling apparatus and appliances and to manufacture and deal in all kinds of parts or accessories in connection with such machines and appliances as may be requisite.
43. To carry on the business of manufacturing and selling carbonated or other waters, suppliers of heat, light, power, water or brine for refrigerating to keep maintain and equip service stations for the said purpose.
44. To buy, sell, store, export or import or import fruit, milk and all kinds of food products whether vegetable or animal.

IV. THE LIABILITY OF THE MEMBERS IS LIMITED.

- V. The Authorised Share Capital of the Company is Rs. ~~5~~^{Five}0,00,00,000/- (Rupees ~~Five~~^{Five} Crores only) divided into ~~1,00,00,000~~^{50,00,000} (~~One~~^{Five} Crores) Equity Shares of Rs.10/- (Rupees Ten only) each with the rights, privileges and conditions attached thereto or as provided by the Articles of Association of the Company for the time being with power to increase and reduce the capital into several classes and to attach thereto respectively such preferential, qualified or special rights, privileges or conditions as may be determined by or in accordance with the Articles of Association of the Company for the time being and to vary, modify or abrogate any such rights privileges or conditions in such manner as may be permitted by the Companies Act, 1956 or provided by the Articles of the Company for the time being.

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

Sl. No.	Name, Address Description and Occupation of each Subscriber	Number of Equity Shares taken by each Subscriber	Signature of Subscriber	Name, Address Description & Occupation of Witness
1.	Shri Vivek Garg S/o Shri Dinesh Narain Garg R/o 15/79, Civil Lines, Kanpur. [Business]	100 Equity Shares	Sd/- V. Garg	Sd/- Sudhir Kapoor Chartered Accountant C/o M/s Agarwal & Kapoor Chartered Accountants 15/291-A, Civil Lines, Kanpur
2.	Shri Vishal Garg S/o Shri Dinesh Narain Garg R/o 15/79, Civil Lines, Kanpur. [Business]	100 Equity Shares	Sd/- V. Garg	
3.	Smt. Sarla Garg W/o Shri Dinesh Narain Garg R/o 15/79, Civil Lines, Kanpur. [Business]	100 Equity Shares	Sd/- S. Garg	
Total Equity Shares taken		300	[Three Hundred]	

Place : Kanpur : Dated this 6th day of July, 1990

Under The Companies Act, 1956
Public Company Limited by Shares

ARTICLES OF ASSOCIATION

OF

GARLON INDUSTRIES LIMITED

INTERPRETATION

1.(1) In these Articles unless there by something in the subject or context :-

*Interpretation
Clause*

"The Company" means GARLON INDUSTRIES LIMITED.

*'The Company or'
'This Company'*

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

'The Act'

"Annual General Meeting" means a general meeting of the Members held in accordance with the provisions of Section 166 of the Act.

*'Annual General
Meeting'*

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

'Auditors'

"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 of the Directors collectively.

*'Board' or
'Board of
Directors'*

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

'Capital'

"Debenture" includes debenture-stock.

'Debenture'

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

'Directors'

"Dividend" includes bonus.

'Dividend'

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

*'Extraordinary
General
Meeting'*

"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.

'Member'

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

*'Meeting or
'General Meeting'*

"Month" means calendar month.

'Month'

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

'Office'

'Ordinary Resolution'	A resolution shall be an ordinary resolution when at a general meeting of which the notice required under the Act has been duly given, the votes cast (whether on a show of hands, or on a poll, as the case may be) in favour of the resolution (including the casting vote, if any, of the Chairman) by members, who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the resolution by members so entitled and voting.
'Paid-up'	"Paid-up" Includes credited as paid-up.
'Person'	"Persons" includes 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.
'Registrar'	"Registrar" means Registrar of Companies of the State in which the office of the Company is for the time being situate.
'Secretary'	"Secretary" means any individual possessing qualifications prescribed for the time being by any Rules made under the Act and appointed to perform the duties which may be performed by a Secretary under the Act and any other ministerial or administrative duties.
'Seal'	"Seal" means the common seal for the time being of the Company.
'Share'	"Share" means the share in the share capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.
'Special Resolution'	<p>A Resolution shall be a special resolution when :</p> <ol style="list-style-type: none"> the intention to propose the resolution as a special resolution has been duly specified in the notice calling the general meeting or other intimation given to the members of the resolution; the notice required under the Act has been duly given of the general meeting; and the votes cast in favour of the resolution (whether on a show of hands or on a poll, as the case may be) by members who, being entitled so to do, vote in person, or when proxies are allowed, by proxy, are not less than three times the number of votes, if any, cast against the resolution by members so entitled and voting.
'Written' and 'In Writing'	"In writing" and "written" shall include printing, lithography or part printing and part lithography and any other mode or modes of representing or reproducing words in visible form.
'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.
Singular number	The words importing singular number include, where the context admits or requires, shall include the plural number and vice versa.
'Gender'	Words importing the masculine gender shall include the feminine gender.
	(2) The marginal notes used in these Articles shall not effect the constitution hereof.

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

2. Save as reproduced herein, the regulations contained in Table 'A' in the First Schedule to the Act shall not apply to the Company.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

3. The Authorised Share Capital of the Company is Rs.10,00,00,000/- [Rupees Ten Crores only] divided into 1,00,00,000 [One Crore] Equity Shares of Rs.10/- [Rupees Ten only] each.

*Amount
of Capital*

4. The Company in General Meeting may, from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe.

*Increase of
Capital by the
Company
and how
carried into
effect*

5. Except so far as is otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and instalments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.

*New capital
same as
existing
capital*

6. Subject to the provision of Section 80 of the Act, the Company shall have the power to issue Preference Shares which are or at the option of the Company are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption.

*Redeemable
Preference
Shares*

7. On the issue of Redeemable Preference Shares under the provisions of Article 6 hereof the following provisions shall take effect:

*Provision
to apply on
issue of
Redeemable
Preference
Shares*

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

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

(c) the premium, if any, payable on redemption must have been provided for out of the profits of the Company or the Company's Share Premium Account before the shares are redeemed;

(d) where any such shares are redeemed otherwise than out of the proceeds of a fresh issue, there shall, out of 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.

**Reduction
of Capital**

8. The Company may (subject to the provisions of Sections 78, 80, 100 to 104 inclusive, of the Act) from time to time by Special Resolution, reduce its capital and any Capital Redemption Reserve Account or Premium Account in any manner for the time being authorised by law, and in particular, capital may be paid off on the footing that it may be called upon again or otherwise. This Article is not to derogate from any power the Company would have if it were omitted.

**Sub-division,
Consolidation
and
Cancellation
of shares**

9. Subject to the provisions of Section 94 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate its shares, or any of them, and the resolution whereby any share is sub-divided, may determine that, as between the holders of the Shares resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the other or others. Subject as aforesaid, the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

**Modification
of rights**

10. Whenever the capital, by reason of the issue of Preference Shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of at least three-fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate general meeting of the holders of shares of that class.

SHARES AND CERTIFICATE

**Register
and Index
of Members**

11. The Company shall cause to be kept a Register and Index of Members in accordance with Sections 150 and 151 of the Act. The Company shall be entitled to keep in any State or country outside India a branch Register of Members resident in that State or country.

**Shares to be
numbered**

12. The shares in the capital shall be numbered progressively according to their several denominations and except in the manner herein before 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.

**Further issue
of capital**

13. (a) Where at any time after the expiry of two years from the formation of the Company or at any time after the expiry of one year from the allotment of

shares in the Company made for the first time after its formation (whichever is earlier) the Board decides to increase the capital of the Company by the issue of new shares then, subject to any direction to the contrary which may be given by the Company in General Meeting and subject to those directions, such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the Company, in proportion as nearly as circumstances admit, to the capital paid up on those shares at that date and such offer shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer after which the offer, if not accepted, will be deemed to have been declined. After the expiry of the time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given, if he declines to accept the shares offered, the Board may dispose of them in such manner as it thinks most beneficial to the Company. Provided that option or right to call of any shares shall not be given to any person except with the sanction of the Company in general meeting.

(b) Notwithstanding anything contained in the preceding sub-clause, the Company may :

(i) by a special resolution; or

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

offer further shares to any person or persons, and such person or persons may or may not include the persons who at the date of the offer are the holders of the equity shares of the Company.

(c) Notwithstanding anything contained in subclause [a] above, but subject, however, to Section 81(3) of the Act, the Company may increase its subscribed capital on exercise of an option attached to debentures issued or loans raised by the Company to convert such debentures or to subscribe for shares in the Company.

14. Subject to the provisions of these Articles and of the Act, the shares (including and shares forming part of any increased capital of the Company) shall be under the control of the Board of Directors; who may allot or otherwise dispose of the same to such persons in such proportion on such terms and conditions and at such times as the Board of Directors think fit and subject to the sanction of the Company in General Meeting with full power, to give any person the option to call for or be allotted shares of any class of the Company either (subject to the provisions of Sections

*Shares under
control of
Board*

78 and 79 of the Act) at a premium or at par or at a discount and such option being exercisable for such time and for such consideration as the Directors think fit. The Board shall cause to be filed the returns as the allotment provide for in Section 75 of the Act.

Power also
to Company
in General
Meeting to
issue shares

15. In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 13 and 14 the Company in General Meeting may determine that any shares, whether forming part of the original capital or of any increased capital of the Company, shall be offered to such persons (whether members or not) in such proportions and on such terms and conditions and either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount as General Meeting shall determine and with full power to give any person (whether a member or not) the option to call or be allotted shares of any class of the Company either (subject to compliance with the provisions of Sections 78 and 79 of the Act) at a premium or at par or at a discount, such option being exercisable at such times and for such consideration as may be directed by such General Meeting, or the Company in General Meeting may make any other provisions whatsoever for the issue, allotment, removal of difficulty in apportionment of shares or disposal of any shares.

Acceptance
of shares

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

Deposit and
call to be a
debt payable
immediately

17. The money (if any) which the Board 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 inscription of the name of the allottee in the Register of Members as the name of the holders 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

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

Shares
Certificates

- 19.(a) Every member or allottee of Shares shall be entitled without payment, to receive one or more certificates in the marketable lot specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid up thereon. Such certificate(s) shall be issued only in pursuance of a resolution passed by the Board and on surrender to

the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letters of acceptance or of renunciation or in cases of issue of bonus share. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose, and two Directors or their attorney and the Secretary or other person shall sign the share certificate. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person to whom it has been issued, indicating the date of issue.

- (b) Any two or more joint allottees of a share shall for the purpose of this Article, be treated as a single member, and the certificate of any share, which may be the subject of joint ownership, may be delivered to any one of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee One. The Company shall comply with the provisions of Section 113 of the Act.
- (c) Subject to the provisions of Companies (Issue of Share Certificate) Rules, 1960 a Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.
- (d) No fee shall be charged for sub-division and consolidation of share and debenture certificates and for sub-division of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denomination corresponding to the market units of trading; for sub-division of renounceable letters of right for issue of new certificates in replacement of those which are old, decrepit or worn out, or where the cages on the reverse for recording transfers have been fully utilised. Provided that the Company may charge such fees as may be agreed by it with the Stock Exchange with which its shares may be enlisted for the time being.

20.(a) No certificate of any share or shares shall be issued either in exchange for those which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, worn out or where the cages on the reverse for recording transfers have been duly utilised, unless the certificate in lieu of which it is issued is surrendered to the Company.

*Renewal
of share
Certificates*

- (b) When a new share certificate has been issued in pursuance of clause (a) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "issued in lieu of share certificate No..... sub-divided/replaced on consolidation of shares."
- (c) If a share certificate is lost or destroyed, a new certificate in lieu thereof shall be issued only with the prior consent of the Board and on such terms, if any, as to evidence and indemnity as to the payment of out of pocket expenses incurred by the Company in investigating evidence, as the Board thinks fit.

- (d) When a new share certificate has been issued in pursuance of clause (c) of this Article, it shall state on the face of it and against the stub or counterfoil to the effect that it is "duplicate issued in lieu of share certificate No". The word "Duplicate" shall be stamped or punched in bold letters across the face of the share certificate.
- (e) Where a new share certificate has been issued in pursuance of clause (a) or clause (c) of this Article, particulars of every such share certificate shall be entered in a Register of Renewed and Duplicate Certificate indicating against the names of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which new certificate is issued, and the necessary changes indicated in the Register of Members by suitable cross reference in the "Remarks" column.
- (f) All blank forms to be issued for share certificates shall be printed and the printing shall be done only on the authority of a resolution of the Board. The blank forms shall be consecutively machine-numbered and the forms and the blocks, engravings, facsimiles and hues relating to the printing of such forms shall be kept in the custody of the Secretary or of such other person as the Board may appoint for the purpose; and the Secretary or the other person aforesaid shall be responsible for rendering an account of these forms to the Board.
- (g) The Managing Director of the Company for the time being or, if the Company has no Managing Director, every Director of the Company shall be responsible for the maintenance, preservation and safe custody of all books and documents relating to the issue of share certificates except the blank forms of share certificates referred to in sub-Article (f).
- (h) All books referred to in sub-Article (g) shall be preserved in good order permanently.

The first named of joint-holders deemed sole holder

- 21. If any share stands in the names of two or more persons, the persons first names in the Register shall, as regards receipt of dividends or bonus or service or notices and all or any other matter connected with the Company, except voting at meetings, and the transfer of the shares, be deemed the sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all instalments and calls due in respect of such shares and for all incidents thereof according to the Company's regulations.

Company not bound to recognise any interest in share other than that of registered holder

- 22. Except as ordered by a court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof; but the Board shall be at liberty at their sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.

23. None of the funds of the Company shall be applied in the purchase of any shares of the Company, and it shall not give any financial assistance for or in connection with the purchase or subscription of any shares in the Company or in its holding Company, save as provided by Section 77 of the Act.

Funds of Company may not be applied in purchase of own shares

UNDERWRITING AND BROKERAGE

24. Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolute or conditional) for any shares or debentures in the Company but so that the commission shall not exceed in the case of shares five percent of the price at which the shares are issued and in the case of debentures two and a half percent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.

Commission may be paid

25. The Company may pay a reasonable sum for brokerage.

Brokerage

INTEREST OUT OF CAPITAL

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

Interest may be paid out of capital

CALLS

27. The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board (and not by circular resolution) make such calls as it thinks fit upon the members in respect of all moneys unpaid on the shares held by them respectively and each member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments.

Directors may make calls

28. Thirty days' notices in writing of any call shall be given by the Company specifying the time and place of payment and the person or persons to whom such call shall be paid.

Notice of calls

29. A call shall be deemed to have been made at the time when the resolution authorising such call was passed at a meeting of the Board.

Calls to date from resolution

Call may be revoked or postponed	30.	A call may be revoked or postponed at the discretion of the Board.
Liability of joint-holders	31.	The joint-holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
Board may extend time	32.	The Board may, from time to time at its discretion, extend the time fixed for the payment of any call, and may extend such time as to all or any of the members who from residence at a distance or other cause, the Board may deem fairly entitled to such extension but no member shall be entitled to such extension save as a matter of grace and favour.
Calls to carry interest	33.	If any member fails to pay any call due from him, on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board, not exceeding eighteen per cent per annum, but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.
Sums deemed to be calls	34.	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 the same become payable, in case of non-payment all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.
Proof on trial or suit for money due on shares	35.	On trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered or is alleged to have become due on the shares in respect of which such money is sought to be recovered, and that the resolution making the call is duly recorded in the Minutes Book; and that notice of such call was duly given to the member or his representative in pursuance of these Articles; and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made, nor that the meeting at which any call was made was duly convened or constituted nor any other matters whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Partial payment not to preclude forfeiture	36.	Neither the receipt by the Company of a portion of any money which shall from time to time be due from any member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence

granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such shares as hereinafter provided.

- 37.(a) The Board may, if it thinks fit, agree to and receive from any member willing to advance the same, all or any part of the amounts of the respective shares beyond the sums actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made, the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time an amount so advanced or may at any time repay the same. Provided that moneys paid in advance of calls on any shares may carry interest but shall not confer a right to dividend or to participate in profits.

Payment in anticipation of calls may carry interest

- (b) No member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

LIEN

38. The Company shall have a first and paramount lien upon all the shares (other than fully paid up shares) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof, for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares, and no equitable interest in any shares shall be created except upon the footing and upon the condition that Article 22 hereof is to have full effect. Any such lien shall extend to all dividends and bonus from time to time declared in respect of such shares. Unless otherwise agreed, the registration of a transfer of shares shall operate as a waiver of the Company's lien, if any, on such shares.

Company to have lien on shares

39. For the purpose of enforcing such lien, the Board may sell the shares, subject thereto, in such manner as they think fit, and for that purpose, may cause to be issued a duplicate certificate in respect of such shares and may authorise one of their member to execute a transfer thereof on behalf of and in the name of such member. No sale shall be made until such period as aforesaid shall have arrived, and until notice in writing of the intention to sell shall have been served on such member or his representatives and default shall have been made by him or them in payment, fulfilment or discharge of such debts, liabilities or engagements for fourteen days after such notice.

Enforcing lien by sale

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

Application of proceeds of sale

FORFEITURE OF SHARES

If money payable on share not paid notice to be given to Member

41. If any member fails to pay any call or instalment on or before the day appointed for the payment of the same, the Board may at any time thereafter during such time as the call or instalment remains unpaid, serve a notice on such member requiring him to pay the same, together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.

Form of Notice

42. The notice shall name a day (not being less than thirty days from the date of service of the notice) and a place at which such calls or instalments and such interest and expenses as aforesaid are to be paid. The notice shall also state that in the event of non-payment of or before the time and at the place appointed, the shares in respect of which such call was made or instalment is payable will be liable to be forfeited.

In default of payment, shares to be forfeited

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

Notice of forfeiture to a Member

44. When any share shall have been so forfeited, notice of the resolution shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture with the date thereof, shall forthwith be made in the register but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make such entry as aforesaid.

Forfeited share to be property of the Company and may be sold etc.

45. Any share so forfeited shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of either to the original holder thereof or to any other person, upon such terms and in such manner as the Board think fit.

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

- 46.[a] Any member whose shares have been forfeited shall, notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company all calls, instalments, interest and expenses, owing upon or in respect of such shares at the time of the forfeiture together with interest at 12 [Twelve] percent per annum, and the Board may enforce the payment thereof if it thinks fit.

Effect of forfeiture

- [b] The forfeiture of a share shall involve the extinction of all interest in and also of all claims and demands against the Company in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.

47. A duly verified declaration in writing that the declarant is a Director or secretary 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 fact therein stated as against all persons claiming to be entitled to the shares.

*Evidence of
forfeiture*

48. Upon any sale in the case of forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board may appoint some person to execute an instrument of transfer of the shares sold and cause the purchaser's name to be entered in the register in respect of the shares sold and the purchaser shall not be bound to see to the regularity of the proceedings nor to the application of the purchase money and after his name has been entered in the register in respect of such share the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.

*Validity of
sale under
Articles*

49. Upon any sale, re-allotment or other disposal under the provisions of the preceding Articles, the certificate or certificates originally issued in respect of the relative share shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect and the Directors shall be entitled to issue a new certificate or certificates in respect of the said shares to the person or persons entitled thereto distinguishing it or them in such manner as they may think fit from the old certificate or certificates.

*Cancellation
of share
certificates
in respect of
forfeited
shares*

50. The Board may at any time before any share is so forfeited, shall have been sold, re-allotted or otherwise disposed off, annul the forfeiture thereof upon such conditions as it thinks fit.

*Power to
Annul
forfeiture*

TRANSFER AND TRANSMISSION OF SHARES

51. The Company shall keep a "Register of Transfers" and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any share.

*Register of
Transfers*

52. The Instrument of Transfer shall be in writing and all the provisions of Section 108 of the Act shall be duly complied with in respect of all transfers and the registration thereof.

*Form of
Transfer*

- 53.(i) The Instrument of Transfer duly stamped and executed by the Transferor and the Transferee shall be delivered to the Company in accordance with the provisions of the Act. The Instrument of Transfer shall be accompanied by such evidence as the Board may require to prove the title of Transferor and his right to transfer the shares and every registered Instrument of Transfer shall remain in the Board. The transferor shall be deemed to be the holder of such shares until the name of the Transferee shall have been

*Transfer
form to be
completed
and presented
to the
Company*

entered in the Register of Members in respect thereof. Before the registration of a transfer the certificate or certificates of the shares must be delivered to the Company.

- (iii) An application for the registration of a transfer of shares may be made either by the transferor or by the transferee, but when the application is made by the transferor and relates to partly paid shares the transfer shall not be registered, unless the Company gives notice of the application to the transferee by pre-paid registered post at the address given in the instrument and the transferee makes no objection to the transfer within two weeks from the receipt of the notice, provided that such notice shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.

*Transfer books
and Register of
Members when
closed*

54. The Board shall have power on giving not less than seven days' previous notice by advertisement in a newspaper circulating in the district in which the registered office of the Company is situated to close the transfer books, the register of members or register of debenture holders at such time or times and for such period or periods, not exceeding in the aggregate forty-five days in each year, as it may deem expedient.

*Directors
may refuse
to register
transfers*

55. Subject to the provisions of Section 111 of the Act, the Board may, within one month from the date on which the instrument of transfer was delivered to the Company, refuse to register any transfer of a share upon which the Company has a lien and in the case of shares not fully paid up may refuse to register a transfer to a transferee of whom they do not approve provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any person or persons indebted to the Company on any account whatsoever unless the Company has a lien on the shares.

*Notice of
application
to be given*

56. (i) Where, in the case of partly paid shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.

*Notice of
refusal to
register
transfer*

- (ii) If the Board refuses, whether in pursuance of Article 55 or otherwise, to register the transfer of, or the transmission by the operation of law, or the right to any share, the Company shall, within one month from the date on which the instrument of transfer or the intimation of such transmission, as the case may be, was lodged with the Company, send to the transferee and the transferor or the person giving intimation of such transmission, as the case may be, notice of the refusal.

*Death of one
or more
joint-holders
of shares*

57. In the case of the death of any one or more of the persons named in the Register of Members as the joint-holders of any share, the survivor or survivors shall be the only persons recognised by the Company as having any title to or interest in such share, but nothing herein contained shall be taken to release the estate of a deceased joint-holder from any liability on shares held by him jointly with any other person.

58. The executors or administrators or holders of a succession certificate or the legal representatives of a deceased shareholder (not being one of two or more joint holders) shall be the only persons recognised by the Company as having any title to the shares registered in the name of such member and the Company shall not be bound to recognise such executors or administrators or holders of succession certificate or the legal representatives unless they shall have first obtained probate or Letters of Administration or Succession certificate or other legal representation as the case may be, from a duly constituted court in the Union of India; provided that in any case where the Board in its absolute discretion thinks fit, the Board may dispense with production of Probate or Letters of Administration or the Board, in its absolute discretion, may think necessary and under the next Article register the name of any person who claims to be absolutely entitled to the shares standing in the name of a deceased member as a member.

*Title to
shares of
deceased
member*

59. No share shall be transferred to an insolvent or person of unsound mind.

*No transfer
to insolvent etc.*

60. Subject to the provisions of the Act and these Articles, any person becoming entitled to shares in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by transfer in accordance with these Articles may, with the consent of the Board (which it shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he purports to act under these Articles or of his title as the Board think sufficient, either be registered himself as the holder of the shares or elect to have some person nominated by him and approved by the Board registered as such holder; provided, nevertheless, that if such person shall elect to have his nominee registered, he shall testify the election by executing in favour of his nominee an instrument of transfer in accordance with the provisions herein contained and until he does so, he shall not be freed from any liability in respect of the shares.

*Registration
of persons
entitled to
shares
otherwise
than by
transfer*

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

*Persons
entitled may
receive
dividend
without being
registered
as Member*

62. No fee shall be payable to the Company in respect of the transfer or transmission of any shares in the Company.

*Fee on
transfer or
transmission*

63. The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register of Members) to the prejudice or persons having or claiming any equitable right, title or interest to or in the said shares, and the Company shall not be bound or required to regard or attend or give effect to any notice which may be given to it of any equitable

*Company not
liable for
disregard
of a notice*

right, or interest or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company, but the Company shall, nevertheless, be at liberty to regard and attend to any such notice and give effect thereto if the Board shall so think fit.

COPIES OF MEMORANDUM AND ARTICLES TO BE SENT TO MEMBERS

Copies of Memorandum and Articles of Association to be sent by the Company

64. Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 39 of the Act shall be sent by the Company to every member at his request within seven days of the request on payment of the sum of Rupee one for each copy.

BORROWING POWERS

Power to borrow

65. Subject to the provisions of Sections 58A, 292 and 293 of the Act, the Board may, from time to time at its discretion by a resolution passed 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 or sums of money for the purposes of the Company. Provided, however, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purposes) the Board shall not borrow such moneys without the consent of the Company in General Meeting.

Payment or repayment of moneys borrowed

66. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respect as the Board may think fit and in particular by the resolution passed at a meeting of the Board (and not by circular resolution) by the issue of debentures or debenture stock of the Company charged upon all or any part of the property of the Company (both present and future) including its capital for the time being and debentures, debenture stock 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 of Debentures

67. Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and subject to the provisions of the Act may be issued on condition that they shall be convertible into shares of any denomination and with any privileges or 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.

68. The Board shall cause a proper Register to be kept in accordance with the provisions of Section 143 of the Act of all mortgages, debentures and charges specifically affecting the property of the Company; and shall cause the requirements of Sections 118, 125 and 127 to 144 (both inclusive) of the Act in that behalf to be duly complied with, so far as they fail to be complied with by the Board.

*Register of
mortgages etc.
to be kept*

69. The Company shall, if at any time it issued debentures, keep a register and Index of Debenture-holders in accordance with Section 152 of the Act. The Company shall have the power to keep in any state or country outside India a Branch Register of Debenture-holders resident in that State or country.

*Register and
Index of
Debenture-
holders*

CONVERSION OF SHARES INTO STOCK AND RE-CONVERSION

70. The Company in general meeting may convert the paid up shares into stock; and when any shares shall have been converted into stock, the several holders of such stock may henceforth transfer their respective interest therein, or any part of such interest, in the same manner and subject to which the same regulations, as and subject to which shares from which the stock arise, might have been transferred, if no such conversion had taken place, or as near thereto as circumstances will admit. The Company may at any time reconvert any stock into paid up shares of any denomination.

*Shares may
be converted
into stock*

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

*Right of
stock
holders*

MEETING OF MEMBERS

72. The Company shall in each year hold a general meeting as its Annual General Meeting in addition to any other meetings in that year. All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings. The first Annual General Meeting shall be held within eighteen months from the date of incorporation of the Company and the next Annual General Meeting shall be held within six months after the expiry of the financial year in which the first Annual General Meeting was held and thereafter an Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General

*Annual
General
Meeting -
Annual
Summary*

Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar, under the provisions of Section 166(1) of the Act, to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours on a day that is not a public holiday and shall be held at the office of the Company or at some other place within the city in which the office of the Company is situated as the Board may determine and the Notice calling the Meeting shall specify it as the Annual General Meeting. The Company may in any one Annual General Meeting fix the time for its subsequent Annual General Meetings. Every member of the Company shall be entitled to attend either in person or by proxy and the Auditor of the Company shall have the right to attend and to be heard at any General Meeting which he attends on any part of the business which concerns him as Auditor. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Audited Statements of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts) the Proxy Register with Proxies and the Register of Director's shareholdings which later Register shall remain open and accessible during the continuance of the meeting. The Board shall cause to be prepared the Annual List of Members, summary of the Share Capital, Balance Sheet and Profit and Loss Account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.

Extraordinary
General
Meeting

73. The Board may, whenever it thinks fit, call an Extraordinary General Meeting and it shall do so upon a requisition in writing by any member or members holding in the aggregate not less than one-tenth of such of the paid up capital as at that date carried the right of voting in regard to the matter in respect of which the requisition has been made.

Requisition
of Members
to state
object of
meeting

74. Any valid requisition so made by members must state the object or objects of the meeting proposed to be called, and must be signed by the requisitionists and be deposited at the office provided that such requisition may consist of several documents in like form each signed by one or more requisitionist.

On receipt of
requisition
Directors to
call meeting
and in default
requisitionists
may do so

75. Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General Meeting, and if they do not proceed within twenty-one days from the date of the requisition being deposited at the office to cause a meeting to be called on a day not later than forty-five days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid-up share capital of the Company as is referred to in Section 169(4) of the Act, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within three months from the date of the delivery of the requisition as aforesaid.

76. Any meeting called under the foregoing Articles, by the requisitionists shall be called in the same manner, as nearly as possible, as that in which meetings are to be called by the Board. Meeting called by requisitionists
77. Twenty-One days' notice at least of every General Meeting, Annual or Extra-Ordinary, and by whomsoever called, specifying the day, place and hour of meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the members entitled to vote thereat holding not less than ninety five percent [95%] of such part of the paid up share capital of the Company as gives a right to vote at the meeting, a meeting may be convened by a shorter notice. In the case of an Annual General Meeting if any business other than: [i] the consideration of the accounts, balance sheets and reports of the Board of Directors and Auditors, [ii] the declaration of dividend, [iii] the appointment of Directors in place of those retiring, [iv] the appointment of and fixing the remuneration of the Auditors, is to be transacted and in the case of any other meeting there shall be annexed to the notice of the meeting a statement setting out all the material facts concerning each such item of business including in particular the nature of the concern or interest, if any, therein of every Director and the Manager, if any. Where any such item of special business relates to or affects any other company the extent of shareholding interest in that other company of every Director and the Manager, if any, of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid-up share capital of that other company. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the documents can be inspected shall be specified in the statement aforesaid. Twenty-one days' notice of meeting
78. The accidental omission to give any such notice as aforesaid to any of the members, or the non-receipt thereof shall not invalidate any resolution passed at any such meeting. Omission to give notice not to invalidate a resolution passed
79. No General Meeting, Annual or Extraordinary, shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices upon which it was convened. Meeting not to transact business not mentioned in notice
80. Five members present in person shall be a quorum for a General Meeting. Quorum at General Meeting
81. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act. Body Corporate deemed to be personally present
82. If at the expiration of half an hour from the time appointed for holding a meeting of the Company, a quorum shall not be present, the meeting, if convened by or upon the requisition of members, shall stand dissolved or adjourned. If quorum not present meeting to be dissolved or adjourned

but in any other case the meeting shall stand adjourned to the same day in the next succeeding week which is not a public holiday at the same time and place or to such other day and at such other time and place as the Board may determine and if at such adjourned meeting a quorum is not present at the expiration of half an hour from the time appointed for holding the meeting, the members present shall be a quorum and may transact the business for which the meeting was called.

Chairman
of General
Meeting

83. The Chairman of the Board shall be entitled to take the Chair at every General Meeting, Annual or Extra-ordinary. If there be no such Chairman of the Directors or if at any meeting he shall not be present within fifteen minutes of the time appointed for holding such meeting or shall decline to take the Chair, then any other Director present thereat shall be entitled to take the Chair and the members present shall elect another Director as Chairman and if no Director be present or if all the Directors present decline to take the Chair, then the members present shall elect one of their number to be the Chairman.

Business
confined to
election of
Chairman while
chair vacant

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

Chairman
with consent
may adjourn
meeting

85. The Chairman with the consent of the meeting may and shall if so directed by the meeting, adjourn any meeting from time to time and from place to place but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

Questions at
General Meeting
how decided

86. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) ordered by the Chairman or demanded by at least five members having the right to vote on the resolution and present in person or by proxy or by any member or members present in person or by proxy and holding shares in the Company conferring a right to vote on the resolution being not 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.

Chairman's
casting vote

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

Poll to be
taken, if
demanded

88. If poll is demanded as aforesaid the same shall, subject to Article 73, be taken at such time (not later than forty-eight hours from the time when demand was made) and place and either by open voting or by ballot as the Chairman shall direct and either at once or after an interval or adjournment or otherwise and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The demand for a poll may be withdrawn at any time by the person or persons who made the demand.

89. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinise the votes given 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 vacancies in the office of scrutineer arising from such removal or from any other cause.

Scrutineers
at poll

90. Any poll duly demanded on the election of a Chairman of a meeting or on any question of adjournment shall be taken at the meeting forthwith.

Poll taken
without
adjournment

91. The demand for a poll, except on the questions of the election of the Chairman and of an adjournment, shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.

Demand for
poll not to
prevent
transaction of
other business

VOTES OF MEMBERS

92. No member shall be entitled to vote either personally or by proxy for another member at any General Meeting or meeting of a class of shareholders either upon a show of hands or upon poll in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has any right of lien and has exercised the same.

Members in
arrears not
to vote

93. Subject to the provisions of these Articles and without prejudice to any special privileges or restriction as to voting for the time being attached to any class of shares for the time being forming part of the capital of the Company, every member not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such meeting and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every member present in person or by proxy shall be in proportion to his share of the paid up equity share capital of the Company, provided however, if any preference shareholder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions placed before the meeting which directly affect the rights attached to his preference shares.

Number of
votes to
which Members
entitled

94. 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.

Casting of
votes by
a member
entitled to
more than
one vote

95. 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

How Members
non-compos-
mentis and
minor may
vote

show of hands or on a poll, by his committee or other legal guardian who may on a poll, vote by proxy; if any member be a minor the vote in respect of his share shall be by guardian or any of his guardians, to be selected in case of dispute by the Chairman of the meeting.

Vote of
joint-members

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

Voting in
person or
by proxy

97. Subject to the provisions of these Articles, vote may be given either personally or by proxy. A body corporate being a member may vote either by a proxy or by a representative duly authorised in accordance with Section 187 of the Act and such representative shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual member.

Votes in
respect of
shares of
deceased and
insolvent
member

98. Any person, entitled under Article 61 to transfer any share, may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that forty-eight hours at least before the time of holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such share and give such indemnity (if any) as the Directors may require or the Directors shall have previously admitted his right to vote at such meeting in respect thereof.

Appointment
of proxy

99. Every proxy (whether a member or not) shall be appointed in writing under the hand of the appointer or his attorney, or if such appointer is a corporation, under the common seal of such corporation to be signed by an officer or any attorney duly authorised by it, and any Committee or guardian may appoint such proxy. The proxy so appointed shall not have a right to speak at the meeting.

Proxy either
for specified
meeting or
for a period

100. Any instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and adjournment thereof or it may appoint for the purpose of every meeting of the Company or of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.

- | | |
|---|---|
| 101. A member present by proxy shall be entitled to vote only on a poll. | Proxy to
vote only
on a poll |
| 102. The instrument appointing a proxy and the power of attorney or other authority (if any) under which it is signed or a notarially certified copy of that power or authority shall be deposited at the office not later than forty-eight hours before the time for holding the meeting at which the person named in the instrument proposes to vote, and in default the instrument or proxy instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution. | Deposit of
instrument
of proxy |
| 103. Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms set out in Schedule IX of the Act. | Form of
Proxy |
| 104. A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any power of attorney under which such proxy was signed, or the transfer of the shares in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting. | Validity of
votes given
by proxy
notwithstanding
death of
member |
| 105. No objection shall be made to the validity of any vote, except at any meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever. | Time for
objections
of votes |
| 106. The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of the poll shall be the sole judge of the validity of every vote tendered at such poll. | Chairman of
the meeting
to be the
judge of
validity of
any vote |
| 107.(1) The Company shall cause minutes of all proceedings of every General Meeting to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered. | Minutes of
General
Meeting and
inspection
thereof
by Members |
| (2) Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such book shall be dated and signed by the Chairman of the same meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose. | |
| (3) In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise. | |

- (4) The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.
- (5) All appointments of Officers made at any meeting aforesaid shall be included in the minutes of the meeting.
- (6) Nothing herein contained shall require or be deemed to require the inclusion in any such minutes of any matter whatsoever and in particular a matter which in the opinion of the Chairman of the meeting (a) is or could reasonably be regarded as defamatory of any person, or (b) is irrelevant or immaterial to the proceedings, or (c) is detrimental to the Meeting; and the Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the aforesaid grounds or otherwise.
- (7) Any such minutes shall be evidence of the proceedings recorded therein.
- (8) The book containing the minutes of proceedings of General Meeting shall be kept at the office of the Company and shall be open during business hours, for such periods not being less in the aggregate than two hours in each day as the Directors determine, for the inspection of any member without charge.

DIRECTORS

Number of Directors

108. Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors (including Debenture and Alternate and Nominee Directors, if any) shall not be less than three and more than twelve.
109. The Directors of the Company at the time of adoption of these Articles are:

1. **Shri Vishal Garg**
2. **Shri Vivek Garg**
3. **Smt. Sarla Garg**

Power to appoint ex-officio Directors

110. Notwithstanding anything to the contrary contained in the Articles the Board of Directors shall have power to enter into an agreement that so long as any moneys remain owing by the Company to the Industrial Development Bank of India (IDBI), Life Insurance Corporation of India (LIC), The Industrial Credit and Investment Corporation of India Limited (ICICI), Industrial Finance Corporation of India (IFCI), Unit Trust of India (UTI), The General Insurance Corporation (GIC) and its subsidiaries or to any other Central or State Financial Corporation or body out of any loans granted by them to the Company or so long as IDBI, LIC, ICICI, IFCI, UTI and GIC or any other Central or State Finance Corporation or Credit Corporation or any other financing company or body (which ICICI, LIC, IDBI, IFCI, UTI, and GIC or any other Central or State Finance Corporation or Credit Corporation or any other financing company or body is herein after in this Article referred to as "the Corporation") continue to hold shares/debentures in the Company by direct subscription/private placement or as a result of any

underwriting obligation or as a result of conversion of loans/debentures, or so long as any guarantee given by the Corporation in respect of any financial obligation or commitment of the Company remains outstanding the corporation shall have a right to appoint, from time to time, any person or persons as a Director (which Director or Directors is/are hereinafter referred to as "Nominee Directors") on the Board of the Company and to remove from such office any person/persons so appointed and to appoint any person/persons in his or their places. The Board of Directors of the Company shall have no power to remove from office the Nominee Directors.

At the option of the Corporation, such Nominee Directors shall not be required to hold any qualification share in the Company. Also at the option of the Corporation, such Nominee Directors shall not be liable to retirement by rotation. Subject as aforesaid the Nominee Directors shall be entitled to the same rights and privileges and be subject to the same obligations as any other Director of the Company.

The Nominee Directors so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation hold shares/debentures in the Company as a result of direct subscription or private placement or as a result of conversion of the loans/debentures or as a result of any underwriting obligation or so long as any guarantee given by the Corporation in respect of any financial obligation or commitment by the Company remains outstanding. The Nominee Director so appointed in exercise of the said power shall ipso facto vacate his office immediately the money owing by the Company to the Corporation is paid off or on the corporation ceasing to hold debentures/shares in the guarantee.

The nominee Directors appointed under this Article shall be entitled to receive all notices of Board Meetings and of the Meetings of the committees of which the Nominee Director is a member, as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes.

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

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

Provided also that in the event of Nominee Director(s) being appointed as Wholetime Director(s), such Nominee Director(s) shall exercise such

powers and duties as may be approved by the Corporation and have such rights as are usually exercised or available to a Wholetime Director, in the management of the affairs of the Company. Such Nominee Director(s) shall be entitled to receive such remuneration, fees, commissions and monies as may be approved by the Lenders.

Debenture
Directors

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

Appointment
of Alternate
Directors

[b] The Board may appoint an Alternate Director to Act for a Director (hereinafter) called "the Original Director" during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for a period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to that State. If the term of office of the Original Director is determined before he so returns to that State, any provisions in the Act or in these Articles for the automatic re-appointment of any retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.

Directors' power to add to the Board Additional Director

112. Subject to the provisions of Sections 260 and 264, the Board shall have power at any time and from time to time to appoint any other qualified person to be an additional Director, but so that the total number of Directors shall not at any time exceed the maximum fixed under Article 109. Any such additional Director shall hold office only upto the date of the next Annual General Meeting.

Directors' power to fill casual vacancies

113. Subject to the provisions of Sections 264 and 284 the Board shall have power at any time and from time to time to appoint any other qualified person to be a Director to fill a casual vacancy. Any person so appointed shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.

Qualification
of Directors

114. A Director shall not be required to hold any share qualification.

Remuneration
of Directors

115. (1) Subject to the provisions of the Act, a Managing Director or Director who is in the whole-time employment of the Company may be paid remuneration

either by way of a monthly payment or at a specified percentage of the net profit of the Company of partly by one way and partly by the other.

- (2) Subject to the provisions of the Act, a Director who is neither in the whole-time employment nor a Managing Director may be paid such remuneration as may be approved by the Board.
- (3) A Director shall be paid a sitting fee not exceeding a sum prescribed under Section 310 of the Act for each meeting of the Board of Directors or any committee thereof attended by him.

116. The Board may allow and pay to any Director, who is not a bona-fide resident of the place where the meetings of the Board are ordinarily held and who shall come to such place for the purpose of attending any meeting, such sum as the Board may consider fair compensation or for travelling, boarding, lodging and other expenses, in addition to his fee for attending such meeting as above specified, and if any Director be called upon to go or reside out of the ordinary place of his residence on the Company's business, he shall be entitled to be repaid and reimbursed any travelling or other expenses incurred in connection with business of the Company.

*Travelling
expenses to
Directors*

117. The continuing Directors may act notwithstanding any vacancy in their body but if, and so long as their number is reduced below the minimum number fixed by Article 108 hereof, the continuing Directors, not being less than three, may act for the purpose of increasing the number of Directors to that number or for summoning a General Meeting but for no other purpose.

*Directors
may act
notwithstanding
any vacancy*

118. Subject to Sections 283(2) and 314 of the Act, the office of a Director shall become vacant if-

*When Office
of Director
to become
vacant*

- (a) he is found to be of unsound mind by a court of competent jurisdiction; or
- (b) he applies to be adjudicated an insolvent; or
- (c) he is adjudged an insolvent; or
- (d) he fails to pay any call made on him in respect of shares of the Company held by him, whether alone or jointly with others, within six months from the date fixed for the payment of such call unless the Central Government has by notification in the official Gazette removed the disqualification incurred by such failure; or
- (e) he absents himself from three consecutive meetings of the Directors or from all meetings of the Directors for a continuous period of three months, whichever is longer, without leave of absence from the Board; or
- (f) he becomes disqualified by an order of the court under Section 203 of the Act, or
- (g) he is removed in pursuance of Section 284, or

- (h) he (whether by himself or by any person for his benefit on his account) or any firm in which he is a partner or any private company of which is a director, accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or
- (i) he acts in contravention of Section 299 of the Act; or
- (j) he is convicted by court of an offence involving moral turpitude and is sentenced in respect thereof to imprisonment for not less than six months, or
- (k) having been appointed a Director by virtue of his holding any office or other employment in the Company he ceases to hold such office or other employment in the Company; or
- (l) he resigns his office by a notice in writing addressed to the Company.

Director may
contract
with Company

119.(1) A Director or his relative, a firm in which such Director or relative is a partner or any other partner in such firm; or a private company of which the Director is a member or director may enter into any contract with the Company for the purchase or supply of any goods, materials with the Company or for the sale, purchase or supply of any goods, materials or services or for underwriting the subscription of any shares in, or debentures of the Company, provided that if the paid-up share capital of the Company is not less than Rs. 1 (one) crore, no such contract shall be entered into except with the previous approval of the Government of India and the sanction of the Board shall be obtained before or within three months of the date on which the contract is entered into in accordance with the provisions of Section 297 of the Act and provided that in case the paid-up capital of the Company is rupees one crore or more no such contract shall be entered into except with the previous approval of the Central Government.

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

- (a) Any purchase of goods and materials from the Company, or the sale of goods or materials to the Company, by any such Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or
- (b) any contract or contracts between the Company on one side, any such Director, relative, firm, partner or private company on the other, for sale, purchase or supply of any goods, materials and services in which either the purchase or supply of any goods, materials and services in which either the Company or the Director, relative, firm, partner or private company, as the case may be, regularly trades or does business, where the value of the goods and materials or the cost of such services does not exceed Rs. 5,000/- [Rupees five thousand] in the aggregate in any year comprised in the period of the contract or contracts.

Provided that in circumstances of urgent necessity a Director, relative, firm, partner or private company as aforesaid may without obtaining the consent of the Board enter into any such contract with the Company for sale, purchase or supply of any goods, materials or services even if the value of

such goods, or the cost of such services exceed Rs.5,000/- in the aggregate in any year comprised in the period of the contract if the consent of the Board shall be obtained to such contract or contracts at a meeting within three months of the date on which the contract was entered into.

120. A 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 in the manner provided in Section 299 (2) of the Act; provided that it shall not be necessary for a Director to disclose his concern or interest in any contract or arrangement entered into or to be entered into with any other company where any of the Directors of the Company or two or more of them together withhold or hold not more than two per cent of the paid up share capital in any such other Company.

Disclosure
of interest

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

General
notice of
interest

122. No Director shall, as a Director, take any part in the discussion of or vote on any contract or arrangements 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 arrangements; nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, his vote shall be void; provided, however, that nothing herein contained shall apply to:-

Interested
Directors
not to
participate
or vote in
Board's
proceedings

- (a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company;
- (b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely:
 - (i) in his being:-
 - (a) a director of such company, and
 - (b) the holder of not more than shares of such number or value therein

as is requisite to qualify him for appointment as a Director thereof,
he having been nominated as such Director by the Company, or

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

Register of
contracts in
which
Directors are
interested

123. The Company shall keep a Register in accordance with Section 301 (1) and shall within the time specified in sections 301(1) and Section 301(2) enter therein such of the particulars as may be relevant having regard to the application thereto of Section 297 or Section 299 of the Act as the case may be. The Register aforesaid shall also specify, in relation to each Director of the Company, the names of the bodies corporate and firms of which notices have been given by him under Article 123. The Register shall be kept at the office of the Company and shall be open to inspection at such office, and extracts may be taken therefrom and copies thereof may be required by any member of the Company to the same extent, in the same manner and on payment of the same fee as in the case of the Register of Members of the Company and the provisions of Section 163 of the Act shall apply accordingly.

Directors
may be
Directors of
companies
promoted by
the Company

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

Retirement
and
rotation of
Directors

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

Ascertainment
of Directors
retiring by
rotation and
filling of
vacancies

126. Subject to Section 256(2) of the Act, the Directors to retire by rotation under Article 128 at every Annual General Meeting shall be those who have been longest in office since their last appointment but as between persons who became Directors on the same day those who are to retire shall, in default of and subject to any agreement among themselves, be determined by lot.

Eligibility for
re-election

127. A retiring Director shall be eligible for re-appointment.

Company to
appoint
successors

128. Subject to Section 258 of the Act, the Company at a General Meeting at which a Director retires in manner aforesaid may fill up the vacated office by electing a person thereto.

Provision in
default of
appointment

- 129.(a) If the place of the retiring Director is not so filled up and the meeting has not expressly resolved not to fill the vacancy, the meeting shall stand adjourned 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.

(b) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy, the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless:-

- (i) at the meeting or at the previous meeting resolution for the reappointment of such Director has been put to the meeting and lost;
- (ii) the retiring Director has, by a notice in writing addressed to the Company or its Board, expressed his unwillingness to be so reappointed.
- (iii) he is not qualified or is disqualified for appointment;
- (iv) a resolution, whether special or ordinary, is required for the appointment or re-appointment by virtue of any provisions of the Act, or
- (v) the proviso to sub-section (2) of Section 263 of the Act is applicable to the case.

130. Subject to Section 259 of the Act the Company may, by ordinary resolution, from time to time, increase or reduce the number of Directors, and may alter their qualifications and the Company may (subject to the provisions of Section 284 of the Act) remove any Director before the expiry of his period of office and appoint another qualified person in his stead. The person so appointed shall hold office during such time as the Director in whose place he is appointed would have held the same if he had not been removed.

Directors

131.(1) Subject to the provisions of the Act and these Articles, any person who is not a retiring Director shall be eligible for appointment to the office of Director at any General Meeting unless he or some member intending to propose him has not less than fourteen days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for the office of Director or the intention of such member to propose him as a candidate for that office, as the case may be, along with a deposit of five hundred rupees which shall be refunded to such person or as the case may be, to such member, if he succeeds in getting elected as a Director.

Notice of
candidate for
office of
Director
except in
certain
cases

- (2) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257 of the Act signifying his candidature for the office of a Director) proposed as a candidate for the office of a Director shall sign and file with the Company, the consent in writing to act as a Director, if appointed.
- (3) A person other than a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or an additional or alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or 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 his consent in writing to act as such Director.

Register of
Directors
etc.

132.(a) The Company shall keep at its Office a Register containing the particulars of its Directors, Managing Agent, Managers, Secretaries and other persons mentioned in Section 303 of the Act, and shall otherwise comply with the provisions of the said Section in all respects.

(b) The Company shall maintain in respect of each of its office Register, as required by Section 307 of the Act, and shall otherwise duly comply with the provisions of the said Section in all respects.

Disclosure
by a Director
of appointment
to any other
body corporate

133.(a) Every Director (including a person deemed to be a Director by virtue of the explanation to sub-section (1) of Section 303 of the Act); Managing Director, Manager, or Secretary of the Company shall within twenty days of the appointment to any of the above offices in any other body corporate, disclose in the Company the particulars relating to his 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

(b) Every Director and every person deemed to be a Director of the Company by virtue of sub-section (10) of Section 307 of the Act, shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that section.

MANAGING DIRECTOR

Managing
Director

134. Subject to the provisions of the Act and these Articles, the Board shall have power to appoint from time to time any of its number as the Managing Director or Managing Directors of the Company upon such terms and conditions as the Board shall think fit and subject to the provisions of Article 136, the Board may by resolution vest in such Managing Director or Managing Directors such of the powers made exercisable for such period or periods, and upon such conditions and subject to such restrictions as it may determine. The remuneration of the Managing Director or Managing Directors may be by way of monthly payment, fee for each meeting or participation in profits, or by any or all these modes or any other modes not expressly prohibited by the Act.

Restriction
on
management

135. The Managing Director or Managing Directors shall not exercise the powers to:

(a) Make calls on shareholders in respect of money unpaid on the shares in the Company.

(b) Issue debentures; and except to the extent mentioned in the resolution passed at the Board meeting under Section 292, shall also not exercise the

powers, to:

- (i) borrow moneys, otherwise than on debentures;
- (ii) invest the funds of the Company; and
- (iii) make loans;

136. The Company shall not appoint or employ, or continue the appointment or employment of a person as its Managing or whole-time Director who:-

Certain persons not to be appointed Managing Director

- (a) is an undischarged insolvent, or has at any time been adjudged an insolvent;
- (b) suspends, or has at any time suspended payment to his creditors, or makes or has at any time made a composition with them; or
- (c) is, or has at any time been convicted by a Court of an offence involving moral turpitude.

137. A Managing Director shall not while he continues to hold that office be subject to retirement by rotation, in accordance with Article 125(b). If he ceases to hold the office of Director, he shall *ipso facto* and immediately cease to be a Managing Director.

Special position of Managing Director

PROCEEDINGS OF THE BOARD OF DIRECTORS

138. The Directors may meet together at a Board for the despatch of business from time to time, and shall so meet at least once in every three months and at least four such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their meetings as they think fit.

Meeting of Directors

139. Notice of every meeting of the Board shall be given in writing to every Director for the time being in India and at his usual address in India to every other Director.

Notice of meeting

140. Subject to Section 287 of the Act, the quorum for a meeting of the Board shall be one-third of its total strength excluding Directors, if any, whose places may be vacant at the time and any fraction contained in that one-third being rounded off as one), or two Directors, whichever is higher, provided that where at any time the number of interested Directors exceeds or is equal to two-thirds of the total strength of the number of the remaining Directors, that is to say, the number of Directors who are not interested, present at the meeting, being not less than two shall be the quorum during such time.

Quorum

141. If a meeting of the Board could not be held for want of a quorum then the meeting shall automatically stand adjourned to such other date and time (if any) as may be fixed by the Chairman not being later than seven days from the date originally fixed for the meeting.

Adjournment of meeting for want of quorum

When meeting to be convened	142. The Secretary shall, as and when directed by the Directors to do so, convene a meeting of the Board by giving a notice in writing to every other Director.
Chairman	143. The Directors may from time to time elect from among their number a Chairman of the Board of Directors and determine the period for which he is to hold office. The chairman of the Board shall be entitled to take the Chair at every meeting of the Board. If at any meeting of the Board, he shall not be present within fifteen minutes from the time appointed for holding such meeting or if he shall be unable or unwilling to take the chair, then the Directors present may elect one of their number to be the Chairman of the meeting.
Questions at Board meetings how decided	144. Questions arising at Meetings of the Board of Directors or a Committee thereof shall be decided by a majority of votes and in the case of an equality of votes, the Chairman shall have a second or casting vote.
Powers of Board Meeting	145. A meeting of a Board for the time being at which a quorum is present shall be competent to exercise all or any of the authorities, power and discretions which by or under the Act or the Articles of the Company are for the time being vested in or exercisable by the Board generally.
Directors may appoint Committee	146. Subject to the restriction contained in Section 292 of the Act, the Board may delegate any of their powers to Committee of the Board consisting of such Member or Members of its body as it thinks fit and it may from time to time revoke and discharge any such committee of the Board either wholly or in part and either as to persons or purposes but every committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such committee of the Board in conformity with such regulations and in fulfilment of the purpose of their appointment but not otherwise, shall have the like force and effect as if done by the Board.
Meeting of committee to be governed	147. The Meeting and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meeting and proceedings of the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.
Resolution by circulation	148. No resolution shall be deemed to have been duly passed by the Board or by a committee thereof by circulation, unless 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 fixed for a meeting of the Board or Committee, as the case may be) and to all other Directors or Members of the Committee, at their usual address in India and has been approved by such of the Directors or Members of the Committee as are then in India, or by a majority of such of them, as are entitled to vote on the resolution.

149. 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 such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director and had not vacated his office or his appointment had not been terminated: *Provided that nothing in this Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.*

Acts of
Board or
committee
valid not-
withstanding
informal
appointment

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

Minutes of
proceedings
of meetings
of the Board

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

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

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

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

(6) The minutes shall also contain:-

- (a) the names of the Directors present at the meeting; and
- (b) in the case of each resolution passed at the meeting, the names of the Directors, if any, dissenting from, or not concurring in the resolution.

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

Powers
of
Directors

- (a) is or could reasonably be regarded by defamatory of any person;
- (b) is irrelevant or immaterial to the proceedings; or
- (c) is detrimental to the interest of the Company.

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

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

Board of Directors

151. The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid regulations or provisions, as may be prescribed by the Company in General Meeting nor shall invalidate any prior act of the Board which would have been valid if that regulation had not been made, provided that the Board shall not, except with the Company in General Meeting:-

- (a) sell, lease or otherwise, dispose of the whole, or substantially the whole of the undertaking of the Company, or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking;
- (b) remit or give time for the repayment of any debt due by a Director;
- (c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in clause (a), or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after considerable time;
- (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose. Provided further that the powers specified in Section 292 of the Act shall, subject to these Articles, be exercised only at a meeting of the Board, unless the same be delegated to the extent therein stated; or
- (e) contribute to charitable and other funds not directly relating to the business of the Company or the welfare of its employees, any amounts the aggregate of which will, in any financial year, exceed twenty-five thousand rupees or five per cent of its average net profit as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding whichever is greater.

Certain powers of the Board

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

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

- (2) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.
- (3) Subject to Sections 292, 297 and 360 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit; and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.
- (4) At their discretion and subject to the provisions of the Act, to apply for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, mortgages or other securities of the Company, and any such shares may be issued either as fully paid or with such shares issued either as fully paid or with such amount credited as paid up thereon as may be agreed upon, and any such bonds, debentures, mortgages or other securities may be either specially charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (5) To secure the fulfilment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think fit.
- (6) To accept from any member, as far as may be permissible by law, a surrender of his shares or any part thereof, on such terms and conditions as shall be agreed.
- (7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company in which it is interested, or for any other purposes; and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees.
- (8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration, and observe and perform any awards made thereon.
- (9) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company.
- (11) Subject to the provisions of Sections 292, 295, 369, 370 and 372 of the Act, to invest and deal with any moneys of the Company not immediately required for the purposes thereof upon such security (not being shares of this Company) or without security and in such manner they may think fit, and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the

Company's own name.

- (12) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and agreements as shall be agreed upon.
- (13) To determine from time to time who shall be entitled to sign, on the Company's behalf, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose.
- (14) To distribute by way of bonus amongst the staff of the Company a share or shares in the profits of the Company, and to give to any officer or other person employed by the Company a commission on the profits of any particular business or transaction, and to charge such bonus or commission as part of the working expenses of the Company.
- (15) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of money, pension, gratuities, allowances, bonus or payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and to subscribe or contribute or otherwise to assist or to guarantee to any charitable, benevolent, religious, scientific, national or other claim to support or aid by the Company either by reason of locality of operation, or of public and general utility or otherwise.
- (16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to Depreciation Fund, or to an Insurance Fund or as a Reserve Fund or Sinking Fund or any Special Fund to meet contingencies or to repay debentures or debenture-stock, or for special dividends or for equalising dividends or for repairing, extending, and maintaining any of the property of the Company and for such other purpose (including the purposes referred to in the preceding clause), as the Board may, in their absolute discretion, think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside of so much thereof as is required to be invested upon such investments (other than shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and disposal and apply and expend all or any part thereof for the benefit of the Company, in such manner and for such purposes as the Board in their absolute discretion think conducive to the interest of the Company, notwithstanding that the matters to which the Board apply or upon which they expend the same, or any part thereof, may be matters to or upon which the capital money of the Company might rightly be applied or expended; and to divide the Reserve Fund into such special funds as the Board may think fit, with full power to transfer the whole

or any portion of a reserve fund or division of a reserve Fund and with full power to employ the assets constituting all or any of the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of debentures or debenture-stock and without being bound to keep the same separate from the other assets and without being bound to pay interest on other assets and without being bound to pay interest on the same with power, however, to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.

- (17) To appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisors, clerks, agents and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments or remuneration, and to require security in such instances and for such amount as they may think fit, and also from time to time provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit, and the provisions contained in the four following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause.
- (18) To comply with the requirements of any local law which in their opinion it shall, in the interests of the Company, be necessary or expedient to comply with.
- (19) From time to time and at any time to establish any Local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local boards, and to fix their remuneration.
- (20) Subject to Section 292 of the Act, from time to time and at any time delegate to any person so appointed any of the powers, authorities and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys, and to authorise the members for the time being of any such Local Board, or any of them, to fill up any vacancies therein. Any such appointment or delegation may be made on such terms and subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation.
- (21) At any time by power of attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also, except in their limits authorised by the Board, the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit; and any appointment may (if the Board thinks fit) to make in favour of the members or any of the Members of any Local Boards, established as aforesaid or in favour of any Company or the shareholders, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such Powers of Attorney may

contain such powers for the protection or convenience of persons dealing with such Attorney as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretions for the time being vested in them.

- (22) Subject to Sections 294 and 297 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.
- (23) From time to time to make, vary and repeal by-laws for the regulation of the business of the Company, its officers and servants.

MANAGEMENT

Prohibition
on managerial
personnel

153. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel, namely:
- [a] Managing Director, and
 - [b] Manager.

THE SECRETARY

Secretary

154. Subject to the provisions of the Act, the Board of Directors may from time to time appoint or remove the Secretary. The Board may also at any time appoint any person or persons (who need not be the secretary) to keep the registers required to be kept by the Company.

THE SEAL

The Seal,
its custody
and use

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

Deeds how
executed

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

DIVIDENDS

Division
of profits

156. The Profits of the Company, subject to the provisions of Sections 205 to 208 of the Act and subject to any special rights relating thereto created or

authorised to be created by these Articles, shall be divisible among the members in proportion to the amount of capital paid up or credited as paid up on the shares held by them respectively.

157. The Company in General Meeting may declare dividends to be paid to members according to their respective rights, but no dividends shall exceed the amount recommended by the Board, but the Company in General Meeting may declare a smaller dividend.

Declaration
of dividend

- 158.[1] No dividend shall be declared or paid otherwise than out of profits of the financial year arrived at after providing for depreciation in accordance with the provisions of Section 205 of the Act or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with these provisions and remaining undistributed or out of both:

Dividends
only out of
profits

Provided that:

- (a) If the Company has not provided for depreciation for any previous financial year or years it shall, before declaring or paying a dividend for any financial year, provide for such depreciation out of the profits of the financial year or out of the profits of any other previous financial year or years.
 - (b) If the Company has incurred any loss in any previous financial year or years the amount of the loss or an amount which is equal to the amount provided for depreciation for that year or those years whichever is less, shall be set off against the profits of the Company for the year for which dividend is proposed to be declared or paid or against the profits of the Company for any previous financial year or years arrived at, in both cases after providing for depreciation in accordance with the provision of sub-section (2) of Section 205 of the Act, or against both.
- (2) Notwithstanding anything contained in sub-article (1) hereof, no dividend shall be declared or paid by the Company for any financial year out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of Section 205 except after the transfer to the reserves of the Company of such percentage of its profits for that year, not exceeding ten percent, as may be prescribed for the time being by any Rules made under the Act.
- (3) Nothing in sub-article (2) hereof shall be deemed to prohibit the voluntary transfer by the Company of a higher percentage of its profits to the reserves in accordance with the Rules, if any, made by the Central Government in this behalf under the Act.

159. The declaration of the Board as to the amount of net profits of the Company shall be conclusive, subject to the provisions of the Act.

Deemed net
profit

- 160.[a] The Board may, from time to time, pay to the members such Interim dividend as in their judgement the position of the Company justifies.

Interim
dividends

Capital paid in advance at interest not to earn dividend	[b] Where Capital is paid in advance of calls, such capital may carry interest but shall not in respect thereof confer a right to dividend or participation in profits.
Dividends in proportion to amount paid up	161.[a] All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date, such share shall rank for dividend accordingly.
Retention of dividends until completion of transfer	[b] The Board may retain the dividends payable upon shares in respect of which any person is under Article 61 entitled to become a member or which any person under that Article is entitled to transfer, until such person shall become a member, in respect of such shares or shall duly transfer the same.
Dividends to joint-holders	162. Any one of several persons who are registered as the joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends or bonus or other moneys payable in respect of such shares.
No member to receive dividend while indebted to the Company	163. No member shall be entitled to receive payment of any interest or dividends in respect of his share or shares or otherwise howsoever, either alone or jointly with any other person or persons; and the Board may deduct from the interest or dividend payable to any member all sum of money so due from him to the Company.
Transfer of shares must be registered	164. A transfer of shares shall not pass the right to any dividend declared thereon before the registration of the transfer.
Remittance of dividends	165. Unless otherwise directed, any dividend may be paid by cheque or warrant by a payslip or receipt having the force of a cheque or warrant sent through the post to the registered address of the member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. That Company shall not be liable or responsible for any cheque or warrant or payslip or receipt lost in transmission, or for any dividend lost to the member or person entitled thereto by the forged endorsement of any cheque or warrant or the forged signature on any payslip or receipt or the fraudulent recovery of the dividend by any other means.
Unclaimed dividend	166. No unclaimed dividend shall be forfeited by the Board and the Company will comply with all the provisions of Section 205-A of the Companies Act, 1956 in respect of unclaimed or unpaid dividend.
Dividend and call together	167. Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on the members of such amount as the meeting

fixes, but so that a call 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 the member, be set off against the calls.

CAPITALISATION

168.(a) The Company in General Meeting may resolve that any moneys, investments or other assets forming part of the undivided profits of the Company standing to the credit of the Reserve Fund or any Capital Redemption Reserve Account, or in the hands of the Company and available for dividend (or representing premium received on the issue of shares and standing to the credit of the Share Premium Account) be capitalised and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the same proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalised fund be applied on behalf of such shareholders in paying up in full either at par or at such premium as the resolution may provide, any unissued shares or debentures of the Company which shall be distributed accordingly or in or towards payment of the call liability or any issued shares or debentures and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum, provided that a Share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this Article, only be applied in the paying of any unissued shares to be issued to members of the Company as fully paid bonus shares.

Capitalisation

- (b) A General Meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company, or any investments representing the same, or any other undistributed profits of the Company, not subject to charge for income tax, be distributed among the members on the footing that they receive the same as capital.
- (c) For the purpose of giving effect to any resolution under the preceding paragraphs of this Article, the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may fix the value for distribution of any specific assets, and may determine that such cash payments shall be made to any member upon the footing of the value so fixed or that fraction of less value than Rs.10/- may be disregarded in order to adjust the rights of all parties, and may vest any such cash or specific assets, in trustees upon such trusts for the person entitled to the dividend or capitalised fund as may seem expedient to the Board. Where requisite, a contract shall be delivered to the Registrar for registration in accordance with Section 75 of the Companies Act, 1956, and the Board may appoint any person to sign such contract on behalf of the persons entitled to the dividend or capitalised fund, and such appointment shall be effective.

ACCOUNTS

169.[1] The Company shall keep at the office or at such other place in India as the Board thinks fit, proper Books of Account in accordance with Section 209 of the Act with respect to:

Directors to
keep true
accounts

- (a) all sums of money received and expended by the Company and the matters in respect of which the receipts and expenditure take place;
 - (b) all sales and purchases of goods by the Company;
 - (c) the assets and liabilities of the Company.
- [2] Where the Board decides to keep all or any of the Books of Account at any place other than the office of the Company, the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place.
- [3] The Company shall preserve in good order the Books of Account relating to a period of not less than eight years preceding the current year together with the Vouchers relevant to any entry in such books of account.
- [4] Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with this Article if proper Books of Account relating to the transactions effected at the branch office are kept at the branch office and proper summarised returns, made up to date at intervals of not more than three months, are sent by the branch office to the Company at its office or other place in India, at which the Company's Books of Accounts are kept as aforesaid.
- [5] The books of account shall give a true and fair view of the state of the affairs of the Company or branch office, as the case may be, and explain its transactions. The Books of Account and other books and papers shall be open to inspection by any Director during business hours.

Inspection
of accounts
or books by
Members

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

Statement
of accounts
to be
furnished to
General Meeting

171. The Directors shall from time to time, in accordance with Sections 210, 212, 215, 216, 217 and 221 of the Act, cause to be prepared and to be laid before the Company in Annual General Meeting such Profit and Loss Accounts, Balance Sheet and report as are referred to in those Sections.

Copies to be
sent to each
Member

172. [1] A copy of every such Profit and Loss Account and Balance Sheet (including the Auditors' Report) and every other document required by law to be annexed to the Balance Sheet) shall, at least twenty-one days before the meeting at which the same are to be laid before the members, be sent to the members of the Company, to trustees for the holders of the debentures issued by the Company, whether such member or trustee is or not entitled to have notices of general meeting of the Company sent to him, and to all persons other than such members or trustees, being persons so entitled.

- [2] In case the shares of the Company are listed on a recognised Stock Exchange, the provisions of clause (1) above shall not be applicable, if the provisions of clause (b)(iv) to the proviso to Section 219(1) of the Act are complied with.
- [3] Notwithstanding anything to the contrary contained in these Articles, the Profit and Loss Account and Balance Sheet and Director's Report may be amended at any time with the consent of the Company accorded by a Special Resolution.

AUDIT

173. Auditors shall be appointed and their rights and duties regulated in accordance with Sections 224 to 231 of the Act. Accounts to be audited
174. The first Auditor or Auditors of the Company shall be appointed by the Board within one month of the date of registration of the Company and the Auditor or Auditors so appointed shall hold office until the conclusion of the First Annual General Meeting, provided that the Company may, at a General Meeting, remove any such Auditor or all of such Auditors and appoint in his or their place any other person or persons who have been nominated for appointment by any member of the Company and of whose nomination notice has been given to the members of the Company not less than fourteen days before the date of the Meeting, provided further that if the Board fails to exercise its powers under this Article, the Company in General Meeting may appoint the first Auditor or Auditors. First Auditor or Auditors

DOCUMENTS AND NOTICE

- 175.(1) A document or notice may be served or given by the Company on any member or an officer thereof either personally or by sending it by post to him to his registered address or (if he has no registered address in India) to the address, if any, within India supplied by him to the Company for serving of documents or notices on him. Service of documents or notices on Members
- (2) Where a document or notice is sent by post, service of the document or notice shall be deemed to be effected by properly addressing, pre-paying and posting a letter containing the document or notice, provided that where a member has intimated to the Company in advance that documents or notices should be sent to him under a certificate of posting or by registered post with or without acknowledgement due and has deposited with the Company a sum sufficient to defray the expenses of doing so, service of the document or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member and such service shall be deemed to have been effected in the case of a notice of a meeting at the expiration of notice is posted and in any other case, at the time at which the letter would be delivered in the ordinary course of post.
176. A document or notice advertised in a newspaper circulating in the neighbourhood of the office shall be deemed to be duly served or sent on the day on which the advertisement appears on or to every member who has no registered address in India and has not supplied to the Company any address within India for the service of documents on him or the sending of notices to him. By advertisement

On joint-holders	177. A document or notice may be served or given by the Company on or to the joint-holders of a share by serving or giving the document or notice on or to the joint-holder named first in the Register of Members in respect of the share.
On personal representatives etc.	178. A document or notice may be served or given by the Company on the persons entitled to a share in consequence of the death or insolvency of a member by sending it through the post in a prepaid letter addressed to him by name or by the title of representative of the deceased, assignee of the insolvent or by any like description at the address (if any) in India supplied for the purpose by the person claiming to be so entitled or (until such an address had been so supplied) by serving the document or notice in any manner in which the same might have been given if the death or insolvency had not occurred.
To whom documents or notices must be given	179. Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore authorised on or to (a) every member (b) every person entitled to a share in consequence of the death or insolvency of a member and (c) the auditor or auditors for the time being of the Company.
Members bound by documents given or served on previous holder	180. Every person who, by operation of law of transfer or other means whatsoever, shall become entitled to any share, shall be bound by every document or notice in respect of each share, previously to his name and address being entered on the person from whom he derives his title to such share.
Documents or notice by Company	181. Any document or notice to be served or given by the Company may be signed by a Director or some other person duly authorised by the Board for such purpose and the signature may be written, printed or lithographed.
Service of documents and notices by Members	182. All documents or notices to be served or given by members to the Company or any officer thereof shall be served or given by sending them to the Company or officer at the office by post under a certificate of posting or by registered post or by leaving it at the office.

WINDING UP

Liquidator may divide assets in specie	183. The liquidator on any winding up (whether voluntary, under supervision or compulsory) may, with the sanction of a special resolution but subject to the rights attached to any preference share capital, divide among the contributories in specie any part of the assets of the Company and may, with the like sanction, vest any part of the Company in trustees upon such trusts for the benefit of the contributories as the liquidator, with the like sanction, shall think fit.
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INDEMNITY AND RESPONSIBILITY

184. Subject to the provisions of Section 210 of the Act, every Officer or Agent for the time being of the Company shall be indemnified out of the funds of the Company against all liability incurred by him in defending any proceedings, whether civil or criminal, in which judgement is given in his favour or in which, he is acquitted or discharged or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

*Directors's
and others'
right of
indemnity*

SECRECY CLAUSE

- 185.(a) Every Director, Manager, Auditor, Treasurer, Trustee, member of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Directors, before entering upon his duties, sign a declaration pledging himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by law or by the persons to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.

*Secrecy
clause*

- (b) No member shall be entitled to visit or inspect any works of the Company without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading, or any matter which may relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

Sl. No.	Name, Address, Description and Occupation of each Subscriber	Signature of Subscriber	Name, Address, Description & Occupation of Witness
1.	Shri Vivek Garg S/o Shri Dinesh Narain Garg R/o 15/79, Civil Lines, Kanpur. [Business]	Sd/- V. Garg	Sd/- Sudhir Kapoor Chartered Accountant C/o M/s Agarwal & Kapoor Chartered Accountants 15/291-A, Civil Lines, Kanpur
2.	Shri Vishal Garg S/o Shri Dinesh Narain Garg R/o 15/79, Civil Lines, Kanpur. [Business]	Sd/- V. Garg	
3.	Smt. Sarla Garg W/o Shri Dinesh Narain Garg R/o 15/79, Civil Lines, Kanpur. [Business]	Sd/- S. Garg	

Place : Kanpur : Dated, this 6th day of July 1990