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**KALYANI FORGE LIMITED**

MEMORANDUM OF ASSOCIATION

AND

ARTICLES OF ASSOCIATION

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**KALYANI FORGE LIMITED**

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**MEMORANDUM OF ASSOCIATION**

**AND**

**ARTICLES OF ASSOCIATION**

Special Resolution  
unanimously passed by the  
members at the Extra-  
ordinary General Meeting  
held on 29.9.1992

"RESOLVED THAT PURSUANT TO THE PROVISIONS OF SECTION 21 OF THE COMPANIES ACT, 1956 AND OTHER APPLICABLE PROVISIONS, IF ANY, OF THE SAID ACT AND SUBJECT TO THE APPROVAL OF CENTRAL GOVERNMENT, THE NAME OF THE COMPANY BE CHANGED FROM 'ELLORA ENGINEERING COMPANY LIMITED' TO 'KALYANI FORGE LIMITED' AND ACCORDINGLY THE NAME 'ELLORA ENGINEERING COMPANY LIMITED' WHEREVER IT APPEARS IN THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE COMPANY BE SUBSTITUTED BY THE NAME "KALYANI FORGE LIMITED".

NO. 20959

FRESH CERTIFICATE OF INCORPORATION  
CONSEQUENT ON CHANGE OF NAME

IN THE OFFICE OF THE REGISTRAR OF COMPANIES, MAHARASHTRA,  
BOMBAY.

In the matter of \***ELLORA ENGINEERING COMPANY LIMITED**  
(DEEMED PUBLIC COMPANY UNDER SECTION 43A OF THE  
COMPANIES ACT, 1956)

I hereby approve and signify in writing under  
section 21 of the Companies Act, 1956 (Act I of 1956) read  
with the Government of India, Department of Company Affairs,  
Notification No.G.S.R. 507E dated the 24th June 1985 the  
change of name of the company from **ELLORA ENGINEERING COMPANY  
LIMITED**

to **KALYANI FORGE LIMITED**

and I hereby certify that **ELLORA ENGINEERING COMPANY LIMITED**  
which was originally incorporated on **TWENTYNINTH** day of **JANUARY**  
1979 under the \*\* **COMPANIES Act, 1956**

and under the name **ELLORA ENGINEERING COMPANY PRIVATE LIMITED**  
having duly passed the necessary resolution in terms of  
section 21/~~section 21~~ of the Companies Act, 1956 the  
name of the said company is this day changed to

**KALYANI FORGE LIMITED**

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

GIVEN UNDER MY HAND AT BOMBAY THIS TWENTYSECOND DAY  
of **OCTOBER 1992** (One thousand nine hundred ninety two )



(G.C. GUPTA)  
Addl. REGISTRAR OF COMPANIES  
MAHARASHTRA, BOMBAY.

Here give the name of the company as existing  
prior to change.

2\*\* Here give the name of the Act(s) under which  
company was originally registered and  
incorporated.







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**MEMORANDUM OF ASSOCIATION  
OF  
KALYANI FORGE LIMITED**

- I. The name of the Company is KALYANI FORGE LIMITED.
- II. The Registered Office of the Company will be situated in the State of Maharashtra.
- III. The objects for which the Company is established are :
  - (A) THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION :
    1. To carry on business as manufacturers and repairers of and dealers in forgings.
    2. To carry on business of manufacturing and processing all items of light engineering industry.
    3. To carry on business as manufacturers and repairers of and dealers in forgings, castings and all other allied industries in space machinery equipments and aircraft machinery.
  - (B) THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS :
    4. To carry on business as general merchants and traders, as wholesalers or retailers, commission agents, buying and selling agents, brokers, adiatias, importers, exporters, stockists, suppliers, clearing agents, forwarding agents and to act as manufacturers' representatives for and in respect of and in relation to Company's above products.
    5. To carry on business as consultants, advisers, assessors, designers, draftsmen, planners, operators, estimators, inspectors and surveyors in all field of engineering systems and technology.
    6. To carry on all or any of the business of manufacturing, processing and dealing in iron and steel, ferro alloys, special steels, aluminum, copper, lead, zinc and their alloys and products and of manufacturing and dealing in industrial machinery, machine tools, boilers and internal

combustion engines, ball roller and tapered bearings, tubes, wires, cables, pipes, coolers, printing machinery, textile machinery and their components and accessories.

7. To carry on all or any of the business of manufacturers and of dealers in forgings, castings and stampings of all metals, tools, bolts, nuts, nails, rivets, hinges, hooks, handles, buckets, bath tubs, tanks, trucks, metal furniture, sewing machines, safes, chimneys, pipes, locks and dies, jigs, measuring tapes, automobile parts, agricultural implements, armaments, tanks, guns and parts and components of all kinds of machinery.
8. To buy, sell, manufacture, repair, alter, improve, exchange, let out on hire, import, export and deal in all factories, works, plant, machinery, tools, utensils in containers of all varieties and descriptions, packing materials of every kind, appliances, apparatus, products, materials, articles and things capable of being used in any business which this business is competent to carry on or required by any customer of or persons having dealings with the Company or commonly dealt in by person, engaged in any such business or which may seem capable of being profitably dealt with in connection therewith and to manufacture, experiment with, render marketable and deal in all products of residual and by-products incidental to or obtained in any of the businesses carried on by the Company.
9. To undertake and carry on research, investigation, development and experiment and work in relation to the manufacture of original industrial equipment, every kind of machineries, component parts, replacement parts, spare parts, tools, implements and fittings of all kinds and all kinds of material handling equipments, accessories and their products and by-products and to produce, extract, manufacture, refine, prepare, process, import, export, buy, sell and deal in all or any of the foregoing.
10. To acquire by purchase, lease or otherwise build, construct, alter, maintain, enlarge, pull down, remove, or replace and to work, manage and control any buildings, office factories, mills, shops, machinery, engines, roadways, tramway, sidings, bridges, dams, roads, wharves, reservoirs, water courses, electric works and other works and conveniences which may seem calculated directly or indirectly to advance the interests of the Company, and to join with any other person or company in doing any of these things.
11. To purchase, take on lease or tenancy or in exchange, hire, take options over or otherwise acquire for any estate or interest whatsoever and turn to account concessions, grants, decrees, licenses, privileges, claims, options, leases, property, real or personal or rights or powers of any kind which may appear to be necessary or convenient for any business of the Company.
12. To sell, exchange, mortgage, let on lease, royalty or tribute, grant licenses, easements, options and other rights over and in any other manner deal with or dispose of the whole or any part of the undertaking, property, assets, rights and effects of the Company for such consideration as may be thought fit and in particular for stocks or shares

whether fully or partly paid up or securities of any other Company.

13. To acquire from any person or company technical information, know-how, processes, engineering, manufacturing and operating data, plans and layouts and the blue prints useful for any of the businesses of the Company and to acquire any grants or licenses and other rights and benefits in the foregoing matters and things.
14. To pay for any rights or property acquired by the Company and to remunerate any person or company rendering services to the Company either by cash payment or by allotment to him or them or shares or securities of the Company as paid up in full or in part or otherwise.
15. To acquire and undertake all or any part of the business, property and liabilities of any person or company carrying on or proposing to carry on any business which the Company is authorized to carry on or possessed of property suitable for the purposes of the Company or which can be carried on in conjunction therewith or which is capable of being conducted so as directly or indirectly to benefit the Company.
16. To apply for, purchase or otherwise acquire and protect, prolong and renew in any part of the world any patents, patent rights, brevets, inventions, trade marks, designs, copyrights, licenses, protections, concessions and the like conferring any exclusive or non-exclusive or limited right to their use or any secret or other information as to any invention, process or privilege 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 licenses or privileges in respect of or otherwise turn to account the property, right and information so acquired and so carry on any business in any way connected therewith.
17. To expend money in experimenting on and testing and improving or seeking to improve any patents, rights, inventions, discoveries, processes, or information of the Company or which the Company may acquire or propose to acquire.
18. To insure with any other Company or persons against losses, damages and risk of all kinds which may affect the Company.
19. To acquire, hold, exchange, sell and underwrite shares, stocks, debentures, debenture stocks, bonds, obligations or securities issued or guaranteed by any individual, company, Government or public body and to acquire any of the aforesaid by original subscription, tender, purchase, exchange, underwriting or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof, and to exercise and enforce all rights and powers conferred by or incidental to the ownership thereof.
20. To invest surplus moneys of the Company in such investments (other than shares or stock in the Company) as may be thought proper and to hold, sell or otherwise deal with such investments.
21. To receive money on deposit or loan and borrow or raise money in

such a manner as the Company shall think fit and in particular by the issue of debentures or debenture stock (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage or lien upon all or any of the property or assets of the Company (both present and future) including its uncalled capital, and also by a similar mortgage, charge or lien to secure and guarantee the performance by the Company or any other persons or company of any obligation undertaken by the Company or any other person or Company as the case may be. Also to receive money, raw materials, intermediates on deposits or loan or for safe custody.

22. To lend and advance money, either with or without security and give credit to such person (including Government) and upon such terms and conditions as the Company may think fit. To lend raw materials, intermediates on deposits or loans or for safe custody.
23. To draw, make accept, endorse, discount, negotiate, execute and issue bills of exchange, promissory notes, bills of lading, warrants, debentures and other negotiable or transferable instruments or securities.
24. To guarantee the performance of any contract or obligation of and the payment of money of and interest on any stock shares or securities of, any Company or persons in any case in which such guarantee may be considered likely directly or indirectly to further the objects of the Company or the interest of its shareholders and generally to give guarantee and indemnities.
25. To undertake commercial obligations, transactions and operations of all kinds in connection with any of the businesses of the Company and to carry on business as financiers, concessionaires and merchants.
26. To establish, provide, maintain and conduct research and other laboratories, training colleges, schools and other institutions for the training, education and instruction of students and others who may desire to avail themselves of the same and to provide for delivery and holding of lectures, demonstrations, exhibitions, classes, meetings and conferences in connection therewith.
27. To procure the registration, incorporation or recognition of the Company in or under the laws of any place outside India, and to do all acts necessary for carrying on any business or activity of the Company in any foreign country.
28. To form, incorporate or promote any Company or companies whether in India or elsewhere having amongst its/their objects, the acquisition of all or any of the assets or control or development of the Company or any other objects or object which in the opinion of the Company could or might directly or indirectly assist the Company in the management of its business or the development of its properties or its business or otherwise prove advantageous to the Company and pay to all or any of the costs and expenses incurred in connection with any such promotion or incorporation and to remunerate any person or Company in any manner it shall think fit for services rendered or to be rendered in obtaining subscriptions for or placing or assisting to place

or to obtain subscriptions for or for guaranteeing the subscription of or the placing of any shares in the capital of the Company or any bonds, debentures, obligations or securities of the Company or any stocks, shares, bonds, debentures, obligations or securities of any other Company held or owned by the Company or in which the Company may have an interest or in or about the formation or promotion of the Company or the conduct of its business or in or about the promotion or formation of any other Company in which the Company may have an interest.

29. To amalgamate or to enter into partnership or into any arrangement for sharing profit, union of interests, co-operations, joint venture or reciprocal concessions or for limiting competition with any person or persons or Company or companies carrying on or engaged in or about to carry on or engage in any business or transactions which the Company is authorized to carry on or engage in 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.
30. To enter into any arrangement and to take all necessary or proper steps with Governments or with other authorities, supreme, national, local, municipal or otherwise of any place in which the Company may have interests and to carry on any negotiations or operations for the purpose of directly or indirectly carrying out the objects of the Company or effecting any modifications in the constitution of the Company, furthering the interests of its members and to oppose any such steps taken by any other Company or persons which may be considered likely directly or indirectly to prejudice the interests of the Company or its members and to promote or assist the promotion, whether directly or indirectly any legislation which may appear to be in the interests of the Company and to oppose and resist whether directly or indirectly any legislation which may seem disadvantageous to the Company and to obtain from any such Government authority or any Company any charters, contracts, decrees, rights, grants, loans, privileges or concessions which the Company may think it desirable to obtain and carry out, exercise and comply with any such arrangements, charters, contracts, decrees, rights, privileges, or concessions.
31. To adopt such means of making known the business, products and activities of the Company as may seem expedient and in particular by advertising in the press by circulars, by purchase and exhibition of works of art or interest by publication of books and periodicals and by granting prizes, rewards and donations.
32. To do all or any of the above things in any part of the world either as principal agents, contractors, trustees or otherwise and either by or through agents, trustees, sub-contractors or otherwise, either alone or in conjunction with others and to allow any property to remain outstanding in such agents or trustees.
33. To undertake and execute any trust, the undertaking of which may seem to the Company desirable, and either gratuitously or otherwise and vest any real or personal property, right or interests acquired by or belonging to the Company in any person or Company on behalf of or for the benefit of the Company and with or without any declared

trust in favour of the Company.

34. To carry on any other business whether manufacturing or otherwise that may seem to the Company capable of being conveniently carried on, in connection with the main objects or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights or which it may be advisable to undertake with a view to improving, developing, rendering valuable or turning to account any property real or personal belonging to the Company or in which the Company may be interested and to do all or any of the above things either as principals, agents, trustees, contractors or otherwise and either along or in conjunction with others and either by or through agents, sub-contractors, trustees or otherwise.
35. To apply the assets of the Company in any way or towards the establishment, maintenance or extension of any association, institution or fund in any way connected with any particular trade or business or with trade or commerce, including any association, institution or fund for the protection of the interests of masters, owners and employers against loss, by bad debts, strikes, combinations fire, accidents or otherwise or for the benefit of any clerks, workmen or others at any time employed by the Company or any of its predecessors in business or their families or dependents and whether or not in common, with other persons or classes of persons and in particular of friendly, co-operative and other societies, reading rooms, libraries, educational and charitable institutions, refractories, dining and recreation rooms, churches, chapels, schools, hospitals and to grant gratuities and allowances and to contribute to any funds raised by public or local subscription for any purpose whatsoever.
36. To aid pecuniarily or otherwise, any association, body or movement having as an object the solution, settlement or surmounting of industrial or labour problems or troubles or the promotion of industry or trade.
37. To establish and maintain or procure the establishment and maintenance of any contributory or non-contributory provident, pension or superannuation funds for the benefit of and give or procure the giving of donations, gratuities, pensions, allowances or emoluments to any person who are or were 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 any such subsidiary company, or who are or were at any time 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 subsidize and subscribe to any institutions, associations, clubs or funds calculated to be for 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 do any of the matters aforesaid either alone or in conjunction with any such other company as aforesaid.
38. To open bank accounts in any bank, commercial or co-operative and enjoy all types of bank facilities including cash credit, overdraft, etc.

and to operate the same.

39. To donate or gift in cash or in kind, for any national, charitable, religious, benevolent, public or useful purposes or to any institution, club, society, research association, fund, university, college or any other person or body.
40. To accept gifts, bequests, devices and donations from members and others and to make gifts to members and others of money, assets and properties of any kind.
41. To create any depreciation fund, reserve fund, sinking fund, insurance fund or any other special fund whether for depreciation or for repairing, improving, extending or maintaining any of the property of the Company or for redemption of debentures of redeemable preference shares or for the benefit of the employees of the Company or for any other purposes conducive to the interests of the Company.
42. To place, to reserve, or to distribute as bonus shares among the members or otherwise to apply as the Company may from time to time think fit any money received by way of premium by the Company and any money received in respect of forfeited shares and moneys arising from the sale by the Company of forfeited shares.
43. To distribute amongst the members of the Company in specie any property of the Company or any proceeds of sale or disposal of any property of the Company in the event of winding up or reconstruction subject to the provisions of the Companies Act, 1956.
44. To carry on all or any of the business of constructing buildings, roads, bridges, dams, railways, port and working as builders and contractors, architects, decorators and of manufacturers and processors of and dealers in all kinds of building materials including trucks, tiles, marbles, hardware, cement, sanitary goods, road making materials and of acting as estate agents, brokers, managers of estates and properties and of acquiring premises on lease and giving them on sub-lease.
45. To carry on the business of building or erecting and constructing structures and houses of sheds and other fixtures on land and/or buildings and to purchase, take on lease or otherwise or exchange or transfer any lands and/or buildings or any tenure and of all types and kinds and to develop, mould or otherwise work on any land or buildings, acquired by the Company or in which the Company for the time being be interested and to do the business of builders, constructors, engineers and contractors, decorators, designers, architects, planners, building experts and advisers, dealers in stores, cement, lime, sand, timber, iron and other building materials and paints and varnishes of all types as may be required for the purposes of the business of the Company.
46. To apply for, tender, purchase or otherwise acquire or enter into any contract, sub-contract arrangement, licenses and concessions for or in relation to the objects or businesses therein mentioned or any of them, and to undertake, execute, carry out, dispose of or otherwise turn to

account the same. To sub-let all or any contracts from time to time and upon such terms and conditions as may be thought expedient.

47. To apply for, promote and obtain any statute, order regulation or other authorization or enactment which may seem calculated directly or indirectly to benefit the Company, and to oppose any bills, proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests.
48. To apply for, secure, acquire by grant, legislative enactment, assignment, transfer, purchase or otherwise and to exercise, carry out, use and enjoy and charter, license, power, authority, franchise, concessions, rights or privilege which any government or authority or any corporation or other public body may be empowered to grant and to pay for and aid in and contribute towards carrying on the same into effect.
49. To acquire from time to time and to manufacture and deal in all such stock-in-trade, goods, chattels and effects as may be necessary or convenient for any business for the time being carried on by the Company.
50. To carry on business on its own account or on account of the constituents as buyers, sellers, importers, exporters, agents, dealers or as collectors, manufacturers of all or any of the goods and things in which the Company is authorized to deal.
51. Generally to acquire by purchase, lease or otherwise for the purposes of the Company, any real or personal property, rights or privileges and in particular any land, buildings, rights of way, easements, licenses, concessions and privileges, patents, patent rights, machinery, rolling stock, plant, accessories and stock-in-trade.
52. To carry on business as financiers generally and in particular as financiers of industry, commerce and agriculture and concessionaires and to undertake and to carry on and execute all kinds of financial, commercial and other operations which may be capable of being conveniently carried on in connection with any of these objects, or calculated directly or indirectly to enhance the value of or facilitate the realization of or render profitable any of the Company's property or rights.
53. To purchase for investment or resale land and house and other property of any tenure and any interest therein and to create, sell and deal in freehold and leasehold ground rents and to make advances and upon the security of land, house or other property or any interest therein and generally to deal in or sell, lease, exchange or otherwise deal with land and house property and other property whether real or personal and to turn the same into account.
54. To establish or promote or concur in establishing or promoting any company or companies for the purpose of acquiring all or any of the property, rights and liabilities of and for the company or for any other purpose which may seem directly or indirectly calculated to benefit the Company.

55. To sell, lease, grant licenses, easements and other rights over and in any other manner deal with or dispose of the undertaking, properties, assets, rights and effects of the Company or any part thereof for such consideration as the Company may think fit and in particular for shares, debentures or securities of any other company.
56. To employ experts to investigate and examine into the conditions, prospects, value, character and circumstances of any business concerns and undertakings and generally of any assets, concessions, properties or rights.
57. To purchase, acquire, undertake or take over the whole or any part of the business, profession, goodwill, property, contracts, agreements, rights, privileges, effects and liabilities of any person, firm or company carrying on or proposing to carry on or claiming to carry on any business, profession or activity which the Company is authorized to carry on or possessed of, property or rights suitable for the purpose of the Company and upon such terms and subject to such stipulations and conditions and at or for such price or consideration if any in moneys, shares, debentures, money's worth or otherwise as may be deemed fit.
58. To pay out of the funds of the Company all expenses which the Company may lawfully pay with respect to the formation and registration of the Company or the issue of its capital, including brokerage and commission for obtaining applications for or taking, placing or underwriting or procuring the underwriting of shares, debentures or other securities of the Company or of any other company, whose shares or debentures may be underwritten by the Company.
59. To pay for any rights or property acquired by the Company and to remunerate any Company or person (whether an officer of this Company or not) for services rendered or to be rendered, in placing or assisting to place or guaranteeing the placing of shares in the company's capital or any debentures, debenture stock, bonds or other securities of the Company or in or about the formation or promotion of the Company or the acquisition of property by the Company or the conduct of its business, 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.
60. To act in conjunction with, unite or associate, create or constitute or assist in creating or constituting any other company or association of a kind similarly wholly or partially to this company and to buy or to absorb any part of the whole of such company or association.
61. To enter into any agreement for sharing profits or other union of interest, co-operation, joint ventures, reciprocal concessions or otherwise with any person, or firms or company carrying on or engaged in or about to carry on or be engaged in any business or transaction which this company is authorized to carry on or be engaged in any business or transaction capable of being conducted so as directly or indirectly to benefit this company; and to take or otherwise acquire shares and securities of any such company and sell, hold or reissue

with or without security or otherwise deal with the same.

62. To do all and everything necessary, suitable or proper for the accomplishment of any of the purpose or the attainment of any of the objects or the furtherance, if any, of the power hereinbefore set forth, either alone or in association with others to do thing or things incidental or appurtenant to or growing out of or connected with the aforesaid business or powers or any part or parts thereof, provided the same be consistent with the laws of the Union of India.

And generally to do all and everything which is or may be in any way considered incidental or conducive to the carrying into effect of all or any of the objects of the Company and to carry out the said objects or any of them either on account of the Company alone or in connection with any other company, corporation, firm, persons and to do all such other things as are incidental or conducive in the opinion of the Board of Directors to the attainment of above objects or any other objects.

(C) OTHER OBJECTS :

63. To carry on the business of manufacturers and dealers in all kinds of containers and packing boxes, wrapper and cases required for packing of finished products.
64. To carry on the business of a water-works company in all its branches and to sink wells and shafts, and to make, build and construct, lay down and maintain reservoirs, water works, 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, distributing and dealing in water.
65. To carry on business as timber merchants, sawmill proprietors and timber growers and to buy, sell, grow, prepare for market, manipulate, import, export, and deal in timber and wood of all kinds, and to manufacture and deal in articles of all kinds, in the manufacture of which timber or wood is used and to buy, clear, plant and work timber estates.
66. To carry on business as manufacturers of chemicals and manures, dye makers, gas makers, metallurgists and mechanical engineers, ship owners and charterers and carriers by land and sea, wharfingers, warehousemen, barge-owners, planters, farmers and sugar merchants.
67. To carry on all or any of the business of manufacturers of and dealers in organic and inorganic chemicals, petro-chemicals, fertilizers, manures pesticides, soda ash, caustic soda, calcium carbide, ethyl alcohol, coal tar, dyemedicine, ointments, essences, acids, toilet requisites, soaps, detergents, cosmetics, perfumes, dyes, paints, colours, pigments, varnishes, inks, explosives, ammunition fuels, oils, greases, lubricants, vegetable oils and cotton seed oils.
68. To construct, purchase, take on lease or otherwise acquire any tramway or other transport and to equip, maintain, work and develop the same by electricity, steam oil, gas, petroleum, horse or any other

motive power, and to employ the same in conveyance of passengers, merchandise and goods of every description and to authorize the Government of India or any local Government or any municipal or local authority, company or person to use and work the same or any part thereof and to lease or sell and dispose of the same or any part thereof.

69. To carry on all or any of the business of prospecting, exploring, opening and working mines, drill and sink shafts or well and to pump, refine, raise, dig and quarry for oil, petroleum, gold, silver, diamonds, precious stones, coal, earth, limestone, iron, aluminum, titanium, vanadium, mica, apalite, chrome, copper, gypsum, lead, manganese, molybdenum, nickel, platinum, uranium, rutile, sulphur, tin, zinc, iron, bauxite, tungsten and other ores and minerals.
70. To carry on business as spinners, weavers, hem stitchers, platers, knitters, embroiders, tailors, dress makers, costumiers, clothing manufacturers, carpets and sports goods manufacturers, gloves, heaters, dyers, cleaners, washers, textile bleachers, printers, drapers, brace and belt makers, goods manufacturers and general out-fitters.
71. To carry on all or any of the businesses of manufacturing of and dealers in glass products including sheet and plate glass, optical glass, glass wool, laboratory ware, bottles, jars, containers, thermos bottles, enamelware and receptacles of all kinds; and of and in wood products, including plywood matches, furniture, boxes, windows, woods, tools and other articles and products in which timber or wood is used and to act as timber and lumber merchants and proprietors of saw mills.
72. To carry on all or any of the businesses of manufactures of, dealers in, hirers and repairers of electrical machinery, equipment and appliances of all kinds and descriptions including motors, batteries, dynamos, bulbs, armatures, magnets, conductors, insulators, transformers, converters, switch boards, air conditioners, refrigerators, domestic appliances and electronic equipments including radars, computers, business machine, radios, television sets, tapes and telecommunication equipment and telephone equipment and their components and accessories including transistors, resistors, condensers and coils.
73. To carry on all or any of the businesses of manufacturers of and dealers in all types of rubber, leather, plastic, latex, celluloid, Bakelite and similar goods and their accessories and fittings, including tyres, tubes, rolls, rollers, shoes and packaging items.
74. To carry on all or any of the business of manufacturers of and dealers in cement, lime, plasters, ceramic, sanitary fittings, asbestos sheets, chinaware, whitening clay, gravel, sand minerals, earth, coke, fuel and stone and builders of requisites and conveniences of all kinds.
75. To carry on the business of manufacturers, hirers, repairers of and dealers in machinery and plant of every description and kind and in particular machine tools and implements, to manufacture, produce, repair, alter, convert, recondition, prepare for sale, buy, sell, hire, import export, let out on hire, trade and deal in machine tools and

implements, other machinery, plant, equipment, article, apparatus, appliances, component parts, accessories, fittings and things in any stage or degree of manufacture, process or refinement.

76. To carry on all or any of the businesses of manufacturers of and dealers in pulp and paper of all kinds, articles made from paper or pulp and materials used in the manufacture or treatment of paper including packaging goods and materials such as bags, cartons, containers and boxes whether made of paper, plastic or any other materials and pens, pencils and ball-pens.
77. To carry on all or any of the business of Goldsmiths, Silversmiths, Jewellers, gem and diamond merchants and of manufacturing and dealing in clocks, watches, jewellery and cutlery and their components and accessories and of producing, acquiring and trading in metals, bullions, gold ornaments, silver, silver utensils, diamonds, precious stones, paintings, coins, manuscripts, curios, antiques and objects of art.
78. To carry on all or any of the business of generating and distributing electricity, gas and heat and of manufacturing or dealing in all kinds of machinery, equipment and appliances required for generating, distributing, employing and consuming electricity, and of acting as electrical engineers and contractors and of purifying and distributing water.
79. To carry on all or any of the businesses of brewers, distillers, millers, bakers, butchers, confectioneries and makers and manufacturers of and dealers in flour, rawa, maida, biscuits, bread, sugar, gur, khand-sari, molasses, syrups, food articles of all types and descriptions, cigarettes, and other articles made with tobacco, aerated, mineral and artificial water, alcohol, beer, wines, whiskies and liquors of every description.
80. To carry on business as brewers, distillers and manufacturers of and merchants and dealers in vinegar, acetic acid, glucose, wines, spirits, beers, porter, malt, hops, grain, meal, yeast, aerated water, carbonic acid, gas, mustard, pickles, sauces, condiments of all kinds, cocoa, coffee, preserve and all or any other commodities and things.
81. To carry on all or any of the businesses of salt making, fishery, producing, distributing and exhibiting films of manufacturing and dealing in cameras and photographic equipments and materials and of renting or hiring out or dealing in all kinds of machinery, equipment, furniture, vehicles, ships, automobiles, aeroplanes, fans, sewing machines and other things.
82. To carry on all or any of the business of carriers of passengers and goods and merchandise by air, sea or surface transports and to maintain airlines, shipping-line, railways, roadways and other transport services and to act as clearing agents, forwarding agents, travel agents, charterers, tour agents and freight contractors.
83. To carry on all or any of the business as merchants, traders, selling agents, commission agents, buying agents, brokers, adatas, buyers, sellers, importers, exporters, dealers in, collectors, manufacturers of

or in any other capacity and to import, export, buy, sell, barter, exchange, pledge, mortgage, advance upon or otherwise trade and deal in machinery, equipments, components, spare parts, goods, produce, articles and merchandise of any kind whatsoever and without prejudice to the generality of the foregoing agricultural commodities, food grains, cash crops, cotton, tea, jute, coffee, fruits, spices, vegetables, flowers, milk, milk products, meat, seeds, raw materials required by industries, semi-finished products of industries and finished products of industries, including machinery, equipment, chemicals, intermediates, electrical goods, textile yarns, garments, furniture, minerals, ores and oils and wholesalers or retailers on the basis of ready delivery or forward contracts or on commission basis.

84. To purchase, hold, take on lease or exchange, take on mortgage and give on mortgage, hire or otherwise acquire and hold or deal in any movable or immovable property including lands, buildings, factories, houses, flats, bungalows, shops, offices, godowns, and other residential industrial, commercial, agricultural or mining properties, patents, licenses and any rights, interests and privileges therein and to develop and take them to account or let them out on rent.
85. To carry on all or any of the businesses of money lending, acting as finance brokers and acting as insurance brokers, agents of underwriters, consultants, assessors, valuers, surveyors, mortgage brokers and undertaking and provision of hire-purchase and credit sale, finance and of acting as factors and brokers in any line of activity and to receive money, securities and valuables of all kinds and deposit at interest or for custody.
86. To carry on all or any of the businesses of undertaking or arranging for the writing and publication of books, magazines, journals or pamphlets on subjects relating to trade, commerce, industry, taxation, finance, economics, law, management and other subjects as also to carry on business as a translation bureau.
87. To carry on all or any of the businesses and professions of providing services of all kinds including technical, administrative, marketing, secretarial business, business management and other office services and providing services of technicians, scientists, artists, administrators, sales-men, economists, accountants, tax-experts, and of acting as recruitment agents, advertising agents, organizers of conferences, auctioneers, trustees, executors, administrators, attorneys, nominees, receivers, secretaries and agents (and to exercise the power of custodians, trustees and trust corporations) and of working as professional consultants, on technical, financial management, productivity, taxation, employment, investment, marketing, banking and economic problems and matters.
88. To carry on all or any of the businesses of procuring, developing and supplying technical know-how, patents, inventions, drawings, designs and other scientific formulae, and processes for the manufacture or processing of all and every kind of goods and materials; for the installation or erection of machinery or plant for such manufacturing and processing and for the working of mines, oil wells and other sources of minerals and deposits and for search and discovery and

testing of mineral deposits and for carrying out any operations relating to agriculture, animal husbandry, dairy or poultry farming, forestry, and fishing and of rendering services in connection with the provisions of such technical know-how.

89. To undertake, aim or promote research in all matters relating to commerce, economics, finance, agriculture, medicine, industry, mining, technical and science as also to undertake feasibility studies into problems relating to personnel and industrial and business management, distribution, marketing and selling and to collect, prepare and distribute information and statistics relating to any type of business or industry and generally to act as market research consultants.
90. To become member of any bodies of persons, and associations including societies, clubs and companies limited by guarantees, whether formed for profit or for non-profit activities.
91. To carry on the business of undertaking and setting up projects on turn-key basis.
92. To represent, express and give effect to the views and opinion of traders, and manufacturers on commercial and mercantile or industrial matters of all kinds and generally to undertake liaison work and public relations.
93. To communicate with Chambers of Commerce and other mercantile and public bodies throughout the world and to advise on concert, promote, and support measures for the protection, advancement, growth of trade, commerce and industry and for protection and welfare of persons engaged therein.
94. To promote, co-operation, hold conferences, organize and participate in meetings, maintain bureau, carry on correspondence, arrange discussions, symposiums and debates, prepare statements, reports, articles relating to any and all matters of interest to trade, industry, and business or public generally.
95. To promote, assist or take part in and appear or lead evidence before any commission, investigation, inquiry, trial or hearing whether public or private relating to matters connected with any trade, business or industry.
96. To purchase, sell or otherwise transfer, lease, license, use, dispose of, operate, fabricate, construct, assemble, design, develop, charter, hire, acquire, recondition, work upon or otherwise generally deal in computers data processing, tabulators, equipments and allied machinery and electronic equipments of every kind, description and activation including accounting, book-keeping, calculating, counting, reckoning, registering, recording, perforating, tabulating, sorting, adding, subtracting, dividing, multiplying, printing, typewriting, copying, reproducing and distributing machines and machinery systems, apparatus, appliances, facilities and accessories and devices of all kinds and for all purposes and any products and component parts thereof, materials or articles used in connection therewith and any and all other machines, machinery, appliances, apparatus, devices, materials, substances, articles or

things of a character similar or analogous to the foregoing or any of them or connected therewith.

97. To carry on the business of hotels, restaurants, cafe, tavern, refreshment room and boarding and lodging, house-keepers, beerhouse-keepers, licensed, victuallers, wine, beer and spirit merchants, aerators, mineral and artificial water and other drinks, purveyors, caterers for public amusement, generally dealers in ivory, novelty and other goods and as general merchants, garage, proprietors of live-stock, stable keepers, job masters, farmers, dairy-men, importers, and brokers of food, live and dead stock and foreign produce of all description, hair-dressers, perfumes, chemists, proprietors of all kinds of clubs, baths, dressing rooms, laundries, reading, writing and newspaper rooms, libraries, cinemas, theatres, discotheques, concerts and dancing halls, amusement centers, skating hall, recreation, sports, entertainment and instruction of all kinds, tobacco and cigar merchants, travel agents, bank mukadams, for railways, shipping and airways and road and transport corporations, companies or bodies and carriers by land, water and air, barge, property and freight contractors, forwarding agents, clearing agents, stevedores, ship chandlers, caterers in railways, airlines and steamship companies, underwriters and insurers of ships, crafts, goods and other property, theatrical and opera box office owners, ship proprietors, cinema exhibitors, producers and distributors and merchants and refrigerating store-keepers and as proprietors conducting safe deposit vaults, general agents, ice merchants and to carry on the business of running night clubs, swimming pools, plying of launches and boats, bakery and confectionery.
98. To carry on the business of manufacturers of and dealers in sugar, gur, khandsari, sugar candy, chocolates, toffees and other allied products.
99. To do, undertake and carry on the business of agriculture, which shall, amongst other things, mean and include horticulture, forestry, horse-breeding, cattle breeding, animal husbandry, dairy farming, pisciculture, piggery, poultry farming, ploughing and cultivation of lands, planting and farming, business and activities normally carried on by agriculturists, farmers and planters, business as producers, dealers, traders, as general merchants, importers exporters, buyers, and sellers of all kinds of agricultural produce and agricultural produce shall mean and include rice, wheat, grain, cereals, seeds, nuts, fruits, vegetables, sugarcane, spices, tea, coffee, cinchona, rubber, timber, tobacco, cotton, jute and every other produce of the soil and of forests, as also dairy and garden produce of all kinds and in particular milk, cream, butter, cheese and eggs, all kinds of vegetable products, oils, starch, sugar, glucose and all other allied products, by-products and components thereof, cattle, cows, sheep pigs, poultry, fish, game and other live and dead stock, meat, beef, port and sausage, hides, fat, tallow, grease and products containing any one or more of them, food, food-stuff and edible things and provisions of all kinds and descriptions, and timber and wood of all kinds and descriptions.
100. To undertake agricultural operations which shall mean and include improvement of land and irrigation thereof, providing of water to farmers

and planters, building of dams and bunds, installation of pump sets and lift irrigation, construction of wells, including tube wells, canals, aqueducts and reservoirs, actual work and all operations done in fields and on lands at all stages from sowing and ploughing till reaping and harvesting of crops and all other incidental, related and necessary activities, construction of farms, farm houses, warehouses, freezing houses, sheds and other buildings for storing agricultural produce, providing and spraying of pesticides; processing and preservation of agricultural produce, production, processing, marketing, sale and distribution of all agricultural tools and implements; to undertake all works, activities and operations in relation to agriculture, agricultural operations, and agricultural produce, which works, activities and operations shall mean and include mechanization of agriculture and agricultural operations, processing of agriculture, agricultural operations, or agricultural produce and industries connected therewith; construction of warehouses, godowns and silos, construction of markets to promote the sale and distribution of agricultural produce; promotion and establishment and running of agro-industries and food industries, production, supply and distribution of fertilizers, pesticides, ploughs, tractors, machinery equipments, tools and implements of all kinds and description required or used for the purposes of agriculture and agricultural operations; purchase, sale, breeding and rearing of live stocks and animals; growing, improving, preserving and maintaining of forest and forest products and other forest wealth and all other activities and operations incidental to or connected with agriculture, agricultural produce, or agricultural operations or any of the subjects which are set out in this clause.

101. To undertake, carry out and promote and sponsor rural development including any programme for promoting the social and economic welfare of, or the uplift of the public in any rural area and to incur any expenditure on any programme of rural development and to assist execution and promotion thereof either directly or through an independent agency, or in any other manner, without prejudice to the generality of the foregoing "programme of rural development" shall also include any programme for promoting the social and economic welfare of or uplift of the public in any rural area which the Directors consider it likely to promote and assist rural development and the words "rural area" shall include such areas as may be regarded as rural areas under section 35 CC of the Income-tax Act, 1961, or any other law relating to the rural development for the time being in force or as may be regarded by the Directors as rural areas and the Directors may at their discretion in order to implement any of the above mentioned object or purposes, transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority of Central or State Government or any Public Institutions or Trust or Funds as the Directors may approve.
102. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of national economy and for discharging what the Directors may consider to be social and moral responsibilities of the Company to the Public or any section of Public as also any activity which the Directors consider likely to promote national welfare

or social, economic or moral uplift of the public or any section of the public and in such manner and by such means as the Directors may think fit, and the Directors may, without prejudice to the generality of the foregoing, undertake, carry out, promote and sponsor any activity for publication of any books, literature, newspapers, etc., or for organizing lectures or seminars likely to advance these objects or for giving merit awards, for giving scholarships, loans or any other assistance to deserving students or other scholars or persons, to enable them to prosecute their studies or academic pursuits or researches and for establishing, conducting or assisting any institution, fund, trust, etc. having any one of the aforesaid objects by giving donations or otherwise in any other manner and the Directors may at their discretion in order to implement any of the above mentioned objects or purposes, transfer without consideration or at such fair or concessional value as the Directors may think fit and divest the ownership of any property of the Company to or in favour of any Public or Local Body or Authority or Center or State Government or any Public Institutions or Trusts or Funds as the Directors may approve.

103. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of agriculture and to promote agricultural development programme for the supply of goods, services, facilities and activities incidental to such agricultural development and the words "agricultural development" shall include all such activities and also making use of in the manufacture or processing as raw material any product of agriculture, animal husbandry or dairy or poultry farming and such other activities as may be regarded as agricultural development activities.
104. To undertake, carry out, promote and sponsor or assist any activity for the promotion and growth of exports and to develop export promotion programme for the supply of goods, services, facilities and activities incidental to such exports and the words "export market development" shall include all such activities as may be regarded as "export market development activities."
105. To undertake, carry out, promote and sponsor or assist any activity for the promotion of socio-economic programmes and to develop such programmes for the supply of goods, services facilities and activities incidental to such promotion and the words "socio economic programmes" shall include all such activities of setting up and developing of village and cottage industries, supporting traditional crops, growing fruit trees, vegetable gardens, and tea gardens, supplying recycled waste water for multiple cropping, setting up of village schools, colleges, rural mobile dispensaries, rural mobile post-offices, and women's welfare societies and also to include the provision of factory creches for employees' children and provision of education in creches.
106. To carry on the business of cold storage, of fruits, vegetables, seeds, fish, meat, agricultural products, milk and dairy products and other perishable items.
107. To cultivate tea, coffee, cinchona, rubber, and other produce and to carry on the business of planters in all its branches to carry on and do the business of cultivators, winners, buyers of every kind of vege-

tables, minerals or other products of the soil; to prepare in all products intended for use in foundry and treatment of metals.

108. To carry on business as manufacturers, dealers, stockists, importers and exporters of engineers, drawing sets, builders, hardware steel rules, measuring tapes, cutting tools, hand tools, precision measuring tools, machine tools, garage tools, hardware tools instruments, apparatus and other machinery, plant, equipment, articles, appliances, their component parts, accessories and allied things.
109. To carry on business as manufacturers, dealers, stockists, importers and exporters of general goods suppliers, commission agents and clearing and forwarding agents, to carry on all or any of the businesses of wholesale and retail in all kinds of merchandise, such as textiles, yarn, steel, spices, dry fruits, chemicals, dyes and chemical and grains.
110. To give and/or procure and make available services of expert engineers and contractors, maintenance and repairs, alterations and additions to plants including the services of Engineering Department.
111. To supply and provide, maintain, operate, services, facilities, conveniences for the benefit of any person, company, trusts, associations, organizations, whatsoever and to act as a service organization for providing general, administrative and other services to any person, company, firm, body corporate, association etc.
112. To provide and to furnish and to fit out with all necessary furniture, instruments and other equipments and maintain and manage hospital/hospitals with or without medical school and nursing homes or institutes and dispensaries for the treatment, care and nursing of patients suffering from diseases or accidents in which they may remain for such period and on such terms and conditions as the company may prescribe or in which they may be advised to be treated as out-patients and employ medical, surgical and pharmaceutical officers, nurses and attendants for the purpose aforesaid and to provide and supply all such medicines, medical, surgical and pharmaceutical appliances and treatment and all such provisions and necessities as may be required for the purpose aforesaid or any of them.
113. To run any personnel, department for selecting the right type of administrative and technical personnel and to advise on all problems arising out of employment and non-employment, on increasing the efficiency of labour, increasing productivity and economy in labour cost.
114. To give guarantees and carry on and transact every kind of guarantee and counter-guarantee business and in particular to guarantee the payment of any principal moneys, interests or other moneys secured or payable under any debentures, bonds, debenture-stocks, mortgages, charges, contracts, obligations and securities and payment of dividends on and the repayment of capital of stocks and shares of all kinds and descriptions.
115. To carry on the trades or business of manufacture of and dealers in explosives, ammunition, fire-works and other explosives and accesso-

ries of all kinds and of whatsoever compositions and whether for military, sporting, mining or industrial purposes or for pyrotechnical display or for any other purpose.

116. To carry on all or any of the business of printers, stationers, lithographers, type-founders, stereotypers, electrotypers, photographic printers, photo-litho graphers, chrome-litho graphers, photographers, engravers, die-sinkers, book-binders, advertisement agents and dealers in or manufacturers of any other articles or things of a character similar or analogous to the foregoing or any of them or connected therewith.
117. To carry on the business as manufacturers of and dealers in machines tools and implements required for processing and grinding camera lenses, optical lenses for electrical and electronic equipments and furnaces required for the manufacture and processing of optical glass and articles made of glass.
118. To provide, supply; make available, procure and to undertake and execute any contracts for providing, supplying, making available or procuring for the benefit of any individual, person, firm, association, trust, society, diety, company limited or unlimited and/or body corporate or any other persons all or any of the services for the upkeep, maintenance, repairs and alterations of and additions to any immoveable property, buildings, mosques, churches, public halls, playgrounds, sport club and such other properties whether of public or private ownership on behalf of any person; and managing estates of private individuals, associations, trusts, Devasthans, mosques, churches, or such other persons, and all kind of services incidental thereto to give and also provision of clerical, managerial, supervisory, administrative and other services to various associations, trusts and other persons for the maintenance or management of office and discharge of all administrative functional duties in connection with various activities, associations, persons, companies, trusts etc. and collection of dues, payments of rates and taxes, conducting litigations etc. and undertaking on behalf of any person the performance of religious functions including the daily worship of deities, performing rituals and providing naivedya, dhoopa, deepa and aarti to the deities and arranging bhajans, kirtans, and lodging and boarding of Kirtankars, Purohits, Shastris and Priests and maintaining Dharmashalas, Annachhatras and conducting canteen and giving catering services for parties, marriage ceremonies and for any religious, social or other functions and entering into contracts for providing all kinds of services required in the performance of a marriage ceremony or a religious ceremony including pandal decorations and lighting arrangements, of chairs and tables, dinner utensils and allied services and undertaking to maintain stables, pages and such other places for the lodging and feeding of horses, cows, bullocks, elephants camels and such other animals belonging to the Company or to any person, trust, company, diety, individuals; to provide services for the proper nursing and breeding and feeding of such animals belonging to persons, individuals, trusts, forms, associations or body corporates and also undertaking repairs of tongas, bullock-carts and providing any other allied services to give on-hire any conveyances driven by power or animals.

130. To purchase any agricultural, horticultural products for resale, prepare for the market, to mix, tin, pack or otherwise and to sell any agricultural produce.
131. To carry on the business of engineers and metallurgists and metal workers, mill wrights, iron masters, bridge builders, transporters, founders, moulders, welders, boiler-makers, wire drawers, tube, pipe and tank manufacturers, plate makers, tool makers, machinists, fitters, galvanisers, japanners, electroplaters, and enamellers and to carry on business of every kind and to act as merchants, traders, commission agents, other agents or any other capacity whatsoever in India or elsewhere to carry on the business of providing services of every kind, and to import, export, buy, sell, barter, exchange, pledge, make advances upon or otherwise deal in goods, produce articles, merchandise, services, conveniences and amenities of every kind.
132. To acquire by purchase, lease or otherwise own, develop, turn to account and work any mines, mining rights, metalliferous lands or other property or interest therein including property containing mineral deposits whatsoever and to search for, get, mine, quarry work, make, produce manufacture, smelt, refine, redøem, dress, treat, make merchantable, buy, sell and deal in limestone, iron stone, ores, metals, minerals, clay, earth, lime, cement, tiles, plastic materials, earthenware, pottery, china, chemicals, fertiliser and all kinds of products, by-products, and substance derived or made out from the foregoing.
133. To search for, get, work, raise, make merchantable, sell and deal in iron, coal, iron-stone, limestone, manganese, ferro-manganese, manganesite, clay, fireclay, brick-earth, bricks and other metals, minerals and substances and to manufacture and sell briquettes, other fuel and generally to undertake and carry on any business transaction or operation commonly undertaken or carried on by explorers, prospectors or concessionaires and to search for win, work, get, calcine, reduce.
134. To carry on the business of manufacturers, sellers, dealers, exporters of and in all types of petrol engines and all other types of internal combustion engines and gas turbines and to carry on the business of manufacturers and merchants and dealers in engine valves required for vehicular, stationery, marine, industrial, turbines and all other engines and products, machines, machine tools and appliances for internal combustion or its component substances, derivatives and substitutes, adjuncts and by-products.
135. To carry on the business of manufacturers, sellers, dealers, exporters of and in all types of pumps, tractors, agricultural machinery and instruments, machine tool makers, generating sets, compressors, rock drills, chain saws, vibrators, lawn movers, threshers, powdered winches, weed powdered cutters, soil rollers, air conditioners, humidifiers and winnowing fans.
136. To carry on the business of manufacturers, sellers, dealers, exporters of and in all types of mopeds, motor cycles, scooters.
137. To carry on the business of manufacturing, buying, selling, re-selling,

exchanging, hiring, altering, importing, improving, assembling, distributing, servicing, repairing and dealing in motor vehicles, packages of components parts thereof, trucks, tractors, chassis, motors, motor cycles, buses, lorries, omnibuses, engines, locomotives, wagons, turbines, tanks, ships, boats, barges, launches, aeroplanes, airships, seaplanes, balloons, and aircraft of every description and other vehicles and components or motor vehicles replacement parts, tools, implements, spare parts, accessories, materials, and products for the transport of conveyance of passengers, merchandise and goods of every description whether propelled or used by electricity, steam, oil, vapour, gas petroleum or any other motive or mechanical power in India or elsewhere.

138. To carry on the business of all iron and steel melters, steel makers, steel shapers and manufacturers, mechanical, civil, electrical and general engineers and fabricators, contractors, tool makers, brass founders, metal workers, manufacturers of steel metal and malleable grey casting including ferrous, non-ferrous, special and alloy steel, manufacturers, processors of forged components, and all railway components and accessories, alloys, nut bolts, steel rounds, nails, tools, hardware items, platemakers, wire drawers, tube manufacturers, galvanisers, japanners, annealers, enamellers and electroplaters and to buy, take on lease or hire, sell, import export, manufacture, process, repair, convert, let or hire or otherwise deal in such products, their raw materials, stores, packing materials, by-products and allied commodities, machineries, rolling stocks, implements, tools utensils, ground tools, materials and conveniences of all kind and generally to carry on the said business in all or any of its branches.
139. To carry on all or any of the business of manufacturing, processing and dealing in iron and steel, ferro alloys, special steel, aluminium, copper, lead, zinc and their alloys and products and of manufacturing and dealing in industrial machinery, machine-tools, boilers, internal combustion engines, ball rollers and tapered bearings, tubes, cables, wires, pipes, cookers, printing machinery, textile machinery and their components and accessories.
140. To carry on in India or elsewhere the trade or business of ironmasters, steel makers, steel converters, manufacturers of ferro-manganese, colliery proprietors, coke manufacturers, mines, smelters, engineers, tin plate makers and iron-founders in all their respective branches.
141. To manufacture, refine, manipulate, repair, alter, exchange, purchase, sell, export, import, deal in or let on hire all kind of goods, commodities, substances, works, plans, machinery, appliances, tools, and implements and other articles, chattels and things and to manufacture, experiment with, render marketable and deal in all products or residual and by-products incidental to or obtained in any of the business carried on by the company.
142. To carry on business as merchants, traders, commission agents, transfer agents, brokers, adiatas, estate agents, valuers or in any other capacity in India or elsewhere and to advise negotiate and

arrange for the introduction of purchasers, sellers, partners and employees for the purchase or sale of any trade or business or sale of partnership or the purchase, sale or mortgage of Debentures, Shares or other securities or of any real or personal property and to import, export, buy, sell, barter, exchange, pledge, mortgage, advance upon or otherwise deal in goods, produce articles and merchandise of any kind.

And It is hereby declare that-

- (i) the objects, incidental or ancillary to the attainment of main objects of the Company as aforesaid shall also be incidental or ancillary to the attainment of the other objects of the Company herein mentioned.
- (ii) the word 'Company' (save when used with reference to this Company) in this Memorandum shall be deemed to include any individual, any partnership or other body of association of persons, whether incorporated or not and whether domiciled.
- (iii) the object set forth in each of the serial clauses of paragraph III shall have the widest possible construction and shall extend to any part of the world.
- (iv) nothing in this paragraph shall authorize the Company to do any business which may fall within the purview of the Banking Regulation Act, 1949 or the Insurance Act, 1938.

143.

"To carry on the business of dealers and/or investors in India and outside India in shares, stocks, debentures, debenture stock, bonds, obligations and securities of any kind issued by any company constituted or carrying on business in India or elsewhere and debentures, debenture stock, bonds, obligations and securities issued or guaranteed by any Government, state, dominions, sovereign rulers, commissioners, public body or authority, municipal, local or otherwise, firm or person whether in India or elsewhere".

Amended as per Resolution passed at the AGM held on 24.11.2003.

IV. The liability of the members is limited.

V.

"The authorized Share Capital of the Company is Rs. 1,50,000,000/- (One Hundred Fifty Millions) divided into 7,500,000 (Seven millions five hundred thousand) Equity Shares of Rs.10/- (Rupees Ten) each, 5,000,000 (Five millions) Cumulative Redeemable Preference Shares of Rs.10/- (Rupees Ten) each and 2500,000 (Two million five hundred thousand) unclassified shares of Rs.10/- (Rupees Ten) each with the rights, privileges and conditions attached thereto as are provided by the Articles of Association of the Company for the time being, with the power to increase or reduce such capital from time to time, in accordance with the regulations of the Company and the law for the time being in force in this behalf and with power to divide the shares in the capital, for the time being into Equity Share Capital and/or Preference Share Capital and to attach thereto respectively and preferential, qualified or special rights, privileges or conditions. If and whenever the capital of the Company is divided into shares of different classes, the rights of any such class may be varied, modified, effected, extended abrogated or surrendered as provided in the Articles of Association of the Company and the law for the time being in force.

Amended as per Resolution passed at the AGM held on 23.9.94.

Provided However that where the Central Government has made an order under sub-section 4 of section 81, directing that any debenture issued by the Company or loan taken by the Company or any part thereof shall be converted into shares of the Company or where in pursuance of an option attached to debentures issued to or loans raised by the Company from any financial institution, such financial institution has proposed to convert such debentures or loans or any part thereof into shares of the Company and on the application of such public financial institutions, the Central

Government shall make any order under section 94-A of the Act for, increasing the share Capital of the Company, the authorised Share Capital of the Company shall stand increased by an amount equal to the amount of the value of the share into which such debentures or loans or part thereof has been converted.

In the event of any legislative changes or enactments permitting the issue of the equity shares without voting rights attached to them (hereinafter referred to as "Non Voting Shares") the Board of Directors, at its discretion may issue equity shares with non voting rights upon such terms and conditions and with such rights and privileges attached thereto as it may deem fit and as may be permitted by the relevant law in this regard.

Amended  
as per  
Resolution  
passed at  
the AGM  
held on  
23.9.94.

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

Names of the Subscribers	Address, Descriptions and occupations of Subscribers	Number of shares taken by each Subscribers	Signature of Witness with description and Occupation
Sd/- Umakant Annappa Takale son of Annappa Ramchandra Takele	240 F. Shaniwar Peth Karad 415 110 Industrialist	1-(one equity)	Sd/- Shripad Vyankatesh Bhalerao, son of Vyankatesh Bhalerao Jhala Co-operative Housing Society Building No. 3, PUNE-411029. Service
Sd/- Prabhakar Shankar Kalyani, son of Shankar Narayan Kalyani	F. No. 529/3+4 Shaniwar Peth Karad 415110 Industrialist	1-(one equity)	Sd/- Shripad Vyankatesh Bhalerao, son of Vyankatesh Bhalerao Jhala Co-operative Housing Society Building No. 3, PUNE-411029. Service
		Total - 2 (two equity)	

Dated the 15<sup>th</sup> day of January 1979.

**ARTICLES OF ASSOCIATION**

**OF**

**KALYANI FORGE LTD**

These Articles of Association were unanimously approved and adopted by a Special Resolution at the extra ordinary General Meeting held on the 29th September, 1992

Special Resolution unanimously passed by the Members of the Company  
at the Extra Ordinary General Meeting held on 29th September, 1992

"RESOLVED that the Regulations as Contained in the draft Articles of  
Association submitted to this meeting; and for the purpose of identification  
initialled by the chairman thereof, be approved and adopted as the Articles  
of Association of the Company, in substitution for, and to the exclusion, of  
all the existing Articles thereof."

**ARTICLES OF ASSOCIATION  
OF  
KALYANI FORGE LIMITED**

**TABLE "A" EXCLUDED**

- |  |   |
|--|---|
| 1. No regulations contained in Table "A" in the First Schedule to the Companies Act, 1956, or the Schedule to any previous Companies Act, shall apply to this Company, but the regulations for the management of Company and for the observance of the members thereof and their representatives, shall subject to any exercise of the statutory powers by the Company with reference to the repeal or alteration of, or addition to, its regulations by Special Resolution, as prescribed by the said Companies Act, 1956, be such as are contained in the said Articles. | Table "A" not to apply but Company to be governed by these Articles |
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**INTERPRETATION**

- |  |                    |
|--|--------------------|
| 2. In the interpretation of these Articles, the following expressions shall have the following meanings, unless repugnant to the subject or context :  | Interpretation     |
| "The Act" - means the Companies Act, 1956, (Central Act 1 of 1956) or any statutory modification or re-enactment thereof for the time being in force.  | The Act            |
| "Auditors" - means and includes the persons appointed as such for the time being of the Company.   | Auditors           |
| "Board of Directors" or "Board" in relation to the Company, means the Board of Directors of the Company.   | Board of Directors |
| "Board Meeting" - means a meeting of the Directors or a Committee thereof duly called and constituted, or as the case may be, the Directors assembled at a Board or the requisite number of Directors entitled to pass a Circular Resolution in accordance with these Articles, or acting by Circular Resolution under the Articles. | Board Meeting      |
| "Bye-laws" - means the Bye-laws which may be made by the Board of Directors of the Company under these Articles and which may, for the time being, be in force.  | Bye-laws           |
| "Capital" - means the share capital, for the time being, raised for the purpose of the Company.  | Capital            |

Chairman	"The Chairman" - means the Chairman of the Board of Directors, for the time being, of the Company.
The Company	"The Company" - means KALYANI FORGE LIMITED.
Debenture	"Debenture" - includes Debenture stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not.
Directors	"Directors" - means the Directors, for the time being, of the Company or as the case may be, the Directors assembled at a Board, or acting under a Circular Resolution under the Articles. "Directors" includes any person occupying the position of Director, by whatever name called.
Dividend	"Dividend" - includes bonus
Documents	"Documents" - includes summons, notice, requisition order, other legal process and registers, whether issued, sent or kept in pursuance of this or any other Act or otherwise.
Executor or Administrator	"Executor" or "Administrator" - means a person who has obtained probate or letter of administration, as the case may be, from a competent court.
In writing and Written	"In writing" and "written" - include printing, lithography and other modes of representing or reproducing words in a visible form, including telex, telegram.
Group	"Group" - means a group of two or more individuals, associations, firms or bodies corporate, or any combination thereof, which exercise or is in a position to exercise, or has the object of exercising control over any body corporate, firm or trust.
Marginal notes	The marginal notes hereto shall not affect the construction hereof.
Members	"Members" - means the duly registered holders, from time to time, of the shares of the Company and includes the subscribers to the Memorandum of the Company.
General Meeting	"General Meeting" - means a general meeting of the members.
Annual General Meeting	"Annual General Meeting" - means a general meeting of the members held in accordance with the provisions of Section 166 of the Act.
Extra-ordinary General Meeting	"Extra-ordinary General Meeting" - means an extra-ordinary general meeting of the members duly called and constituted and any adjourned holding thereof.
Month	"Month" - means a calendar month.
Office	"Office" - means the Registered Office, for the time being, of the Company.
Ordinary Resolution	"Ordinary Resolution" - shall have the meaning assigned to it by Section 189 of the Act.

"Paid-up" – includes credited as paid up.	Paid-up
"Persons" – includes individuals, any Company or association or body of individuals whether incorporated or not.	Persons
"Proxy" – means an instrument whereby any person is authorised to vote for a member at the general meeting or poll.	Proxy
"The Register Of Members" – means the register of members to be kept pursuant to Section 150 of the Act.	The Register Of Members
"The Registrar" – means the Registrar of the Companies, Maharashtra.	The Registrar
"The Company's Regulations" – means the regulations, for the time being, for the management of the Company.	The Company's Regulations
"Seal" – means the Common Seal, for the time being, of the Company.	Seal
"Secretary" – means secretary as defined in Section 2(45) of the Act.	Secretary
"Shares" – means the shares into which the capital of the Company is divided and the interest corresponding with such shares	Shares
"Special Resolution" – shall have the meaning assigned thereto by Section 109 of the Act.	Special Resolution
"The Statutes" – means the Companies Act, 1956, and every other Act, for the time being in force, affecting the Company.	The Statutes
"Year" – means the calendar year and	Year
"Financial Year" – shall have the meaning assigned thereto by Section 2(17) of the Act.	Financial Year
Words importing the masculine gender also include the feminine gender.	Gender
Words importing the singular number includes, where the context admits or requires, the plural number and vice versa.	Singular number
Unless the context otherwise requires, words and expressions contained in these Articles shall bear the same meaning as in the Act or any statutory modifications thereof for the time being, in force.	Expressions in the Act to bear the same meaning in Articles

## CAPITAL

3 (a)

The Authorized Share Capital of the Company is Rs. 1,50,000,000/= (Rupees One Hundred Fifty Millions) divided into 7,500,000 (Seven Millions Five Hundred Thousand) Equity Shares of Rs. 10/- (Rupees Ten) each 5,000,000 (Five Millions) Cumulative Redeemable Preference Shares of Rs. 10/- (Rupees Ten) each and 2,500,000 (Two Millions Five Hundred Thousand) Unclassified Shares of Rs. 10/- (Rupees Ten) each with the power to increase or reduce such capital from time to time in accordance with the regulations of the Company and the Law for the time being in force in this behalf and with the powers to divide the shares in the capital, for the time being into Equity Shares and/or Preference Shares capital and to attach thereto respectively any preferential,

Amended  
as per  
Resolution  
passed at  
the AGM  
held on  
23.9.94

qualified, or special rights, privileges or conditions. If and whenever the capital of the Company is divided into shares of different classes, the right of any such class may be varied, modified, effected, extended, abrogated or surrendered as provided in the articles of association of the Company and the law for the time being in force.

PROVIDED HOWEVER that where the Central Government has made an order under sub section 4 of section 81, directing that any debenture issued by the Company or loan taken by the Company or any part thereof shall be converted into shares of the Company or where in pursuance of an option attached to debentures issued to or loans raised by the Company from any financial institution, such financial institution has proposed to convert such debentures or loans or any part thereof into shares of the Company and on the application of such public financial institutions, the Central Government shall make any order under section 94-A of the Act for, increasing the share capital of the Company, the authorised Share Capital of the Company shall stand increased by an amount equal to the amount of the value of the share into which such debentures or loans or part thereof has been converted.

In the event of any legislative changes or enactments permitting the issue of the equity shares without voting rights attached to them (hereinafter referred to as "Non Voting Shares") the Board of Directors, at its discretion may issue equity shares with non voting rights upon such terms and conditions and with such rights and privileges attached thereto as it may deem fit and as may be permitted by the relevant law in this regard.

Amended as per Resolution passed at the AGM held on 23.9.94.

(b)

The holders of preference shares shall be entitled to be paid out of the profits which the directors shall determine to distribute by way of dividend. A fixed cumulative preferential dividend (free of company's tax but subject to deduction of tax at source at the prescribed rates) on the amount credited as paid up thereon or at such other rate of dividend as the board may determine from time to time in respect of such issue of cumulative redeemable preference shares, but not exceeding the rate of dividend prescribed under the law or any other regulations relating to the dividend on preference shares as may be in force from time to time and to the right, on winding up, to be paid all arrears of preferential dividend whether earned or declared or not down to the commencement of the winding up, and also to be repaid the amount of capital paid or credited as paid up on the preference shares held by them respectively in priority to any payment in respect of equity shares, but shall not be entitled to any other rights in the profits or assets of the Company.

Amended as per Resolution passed at the AGM held on 23.9.94.

Subject as aforesaid and to the rights of the holders of any other shares entitled by the terms of issue to preferential repayment over the equity shares in the event of the winding up of the Company, the holders of the preference shares shall be entitled to be repaid the amounts of capital paid up or credited as paid up on such shares and all surplus assets thereafter shall belong to the holders of the equity shares in proportion to the amount paid up or credited as paid up on such equity shares respectively at the commencement of the winding up.

(c)

Subject to the provisions of section 80 of the act and the regulations in force from time to time relating to the issue redemption etc. of preference shares, cumulative redeemable preference shares may be issued by the Board of Directors on such terms and conditions as it may determine, such preference shares shall be redeemed as the Board of Directors may determine, in accordance with the terms and conditions of the issue.

Amended as per Resolution passed at the AGM held on 23.9.94.

- (d) The cumulative redeemable preference shares shall not confer on the holders thereof the right to vote either in person or by proxy at any general meeting of the Company save to the extent and in the manner provided by Section 57[2] of the Act. Amended as per Resolution assed at the AGM held on 23.9.94
- (e) The rights, privileges and conditions, for the time being attached to the cumulative redeemable preference shares, may be varied, modified or abrogated in accordance with the provisions of these Articles and of the Act" Amended as per Resolution assed at the AGM held on 23.9.94
- 4 (a) The Company in general meeting may, by ordinary Resolution from time to time, increase the capital by creation of new shares and of such aggregate amount and to be divided into shares of such respective amounts as the Resolution shall prescribe. The new shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the Resolution shall prescribe and in particular such shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at general meeting of the Company in conformity with Section 87 and 88 of the Act. Increase of Capital by the Company and how carried into effect
- (b) Whenever the Capital of the Company has been increased under the provisions of this Article, the Company shall file with the Registrar, notice of the increase of Capital as required by Section 97 of the Act, within thirty days of the passing of the Resolution authorising the increase, or of the receipt of the order of the Central Government or consequent upon and order made by the Central Government under Section 94A of the Act.
5. Neither the original Capital nor any increased Capital shall be of more than two kinds, namely (i) Equity Share Capital and (ii) Preference Share Capital, as defined in Section 85 of the Act. Capital of two kinds only.
- 5 (a) In the event it is permitted by the law, the Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase. Amended as per Resolution passed at the AGM held on 23.9.94
6. Except in so far as otherwise provided by the conditions of issue or by these Articles, any Capital raised by creation of new shares shall be considered as part of the existing and shall be subject to the provisions herein contained with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise. New Capital same as existing Capital
7. Subject to the provisions 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 to be liable to be redeemed and the Resolution Redeemable Preference Shares

authorising such issue shall prescribe the manner, terms and conditions of redemption.

Provisions to apply on Issue of Redeemable Preference Shares

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

- (a) No such shares shall be redeemed except out of profits of the Company which would otherwise be available for dividend or out of the proceeds of a fresh issue of shares made for the purposes of the redemption.
- (b) No such shares shall be redeemed unless they are fully paid.
- (c) The premium, if any, payable on redemption shall have been provided for out of the profits of the Company or out of the Company's Share Premium Account before the shares are redeemed.
- (d) Where any such shares are redeemed otherwise than out of the proceeds of fresh issue, there shall, out of the profits which would otherwise have been available for dividend, be transferred to a reserve fund to be called 'The Capital Redemption Reserve Account', a sum equal to the nominal amount of the shares redeemed and the provisions of the Act relating to the reduction of the Share Capital of the Company shall, 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.
- (e) Subject to the provisions of Section 80 of the Act, the redemption of Preference Shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit.

Reduction of Capital

9. The Company may (subject to the provisions of Section 78, 80 and 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time, by Special Resolution, reduce (a) its Share Capital (b) any Capital Redemption Reserve Account or (c) any Share Premium Account, in any manner and with and subject to any incidents, authorised and consent required by law and in particular, Capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.

Consolidation, division, sub-division and cancellation of shares

10. Subject to the provisions of Section 94 of the Act, the Company, in general meeting, may, from time to time, by an Ordinary Resolution, alter the conditions of its Memorandum as follows :

- (a) Consolidate and divide all or any of its Capital into shares of larger amount than its existing Shares
- (b) Sub-divide its Shares, or any of them into shares of smaller amount than is fixed by the Memorandum, so however, that in the subdivision, the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as

it was in the case of the share from which the reduced share is derived;

- (c) Cancel any shares which, at the date of the passing of the Resolution in that behalf have not been taken or agreed to be taken by any person and diminish the amount of its Share Capital by the amount of the shares so cancelled. A cancellation of shares in pursuance of this sub-clause shall not be deemed to be a reduction of Share Capital within the meaning of the Act.

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

11. 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 right and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be varied, modified, commuted, affected or abrogated, or dealt with the consent in writing of the holder of not less than three fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of shares of that class, and all the provisions hereafter contained as to general meetings shall, mutatis mutandis, apply to every such meeting. This Article is not to derogate from any power the Company would have, if this Article was omitted.

Modification of rights

The rights conferred upon the holders of the shares (including Preference Shares, if any) of any class issued with preferred or other rights or privileges, shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.

#### SHARES AND CERTIFICATES

12. The Company shall cause to be kept a Register and an Index of Members in accordance with Sections 150 and 151 of the Act and whenever applicable, a Register and an Index of Debenture holders, in accordance with Section 152 of the Act. The Company shall be entitled to keep in any State or Country outside India, a Branch Register of Members or Debenture Holders resident in that State or Country, and the Directors may, subject to Sections 157 and 158 of the Act, make and vary such regulations, as they may think fit in regard to the keeping of any such foreign register.
13. The shares in the Capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned, no share shall be sub-divided.
14. The Board of Directors shall observe the restrictions as to allotment of shares to the public, contained in Sections 69 and 70 of the Act, and shall cause to be made the Returns as to allotment provided for in

Register and Index of members and debenture holders

Share to be numbered progressively and no share to be sub-divided

Restriction on allotment and return of allotment

## Section 75 of the Act.

Further issue of Capital

- 15 (1) Where, at any time, it is proposed to increase the subscribed Capital of the Company by allotment of further shares, whether out of unissued share Capital or out of increased share Capital,
- a) 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;
  - b) 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 within which the offer, if not accepted, will be deemed to have been declined;
  - c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) hereof shall contain a statement of this right; PROVIDED THAT the Directors may decline, without assigning any reason, to allot any shares to any person in whose favour any member may renounce the shares offered to him;
  - d) After the expiry of the time specified in the aforesaid notice, or on receipt of earlier intimation from the person to whom such notice is given, that he declines to accept the shares offered, the Board of Directors may dispose them of in such manner as they think most beneficial to the Company.
- (2) Notwithstanding anything contained in sub-clause (1) hereof, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in sub-clause (a) of clause (1) hereof) in any manner whatsoever :
- a) if a Special Resolution to that effect is passed by the Company in general meeting; or
  - b) where no such Special Resolution is passed, if the votes cast (whether on a show of hands, or on 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 so to do, vote in person or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the Company.
- (3) Nothing in sub-clause (c) of clause (1) hereof shall be deemed :
- a) to extend the time within which the offer should be accepted, or
  - b) to authorise any person to exercise the right of renunciation for

a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(4) Nothing in this Article shall apply to the increase of the subscribed Capital of the Company caused by the exercise of an option attached to the debentures issued or loans raised by the Company :

(i) to convert such debentures or loans into shares in the Company; or

(ii) to subscribe for shares in the Company (whether such option is concerned in these Articles or otherwise);  
PROVIDED that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term -

a) either has been approved by the Central Government before the issue of the debentures or the raising of the loans, or is in conformity with the rules, if any, made by that Government in this behalf; and

b) in the case of the debentures or loans other than debentures issued to, or loans obtained from, the Government or any institution specified by the Central Government in this behalf has also been approved by a Special Resolution passed by the Company in general meeting before the issue of the debentures or the raising of the loans.

16. Subject to the provisions of these Article and of the Act, the shares shall be under the control of the Directors who may allot or otherwise dispose of the same to such persons on such terms and conditions and at such times, as they think fit and with full power, subject to the sanction of the Company in general meeting, to give any person the option to call for or be allotted shares of any class of the Company, either at a premium or at par or at a discount, subject to the provisions of Section 78 and 79 of the Act and for such time and for such consideration as the Directors think fit.

Shares under control of Directors

17. (1) Where the Company issues shares at a premium, whether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on these shares shall be transferred to an account, to be called "THE SHARE PREMIUM ACCOUNT" and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in this clause, apply as if the Share Premium Account were paid up share capital of the Company.

Application of Premium received on Shares

(2) The Share Premium Account may, notwithstanding clause (1) hereof be applied by the Company;

a) in paying up unissued shares of the Company, to be issued to the members of the Company as fully paid bonus shares;

b) in writing off the preliminary expenses of the Company;

c) in writing off the expenses of or the commission paid or discount allowed, on any issue of shares or debentures of the Company or;

d) in providing for the premium payable on the redemption of any Redeemable Preference Shares or of any debentures of the Company.

Power also to Company in General meeting to issue shares

18. In addition to and without derogating from the powers for that purpose conferred on the Board under Articles 16 and 17, the Company, in General Meeting, may, subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original Capital or of any increased Capital of the Company) be offered to such persons (whether members or not) in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of Sections 78 and 79 of the Act) as such general meeting shall determine and with full power to give any person, whether a member or not, the option to call for or be allotted shares of any class of the Company either at a premium or at a discount (subject to compliance with the provisions of Sections 78 and 79 of the Act) such option being exercisable at such time 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 or disposal of any such shares.

Shares at a discount

19. The Company may issue at a discount, shares in the Company, of a class already issued, if the following conditions are fulfilled, namely :

i) the issue of the shares at a discount is authorised by a Resolution passed by the Company in general meeting and sanctioned by the Company Law Board.

ii) the resolution specifying the maximum rate of discount (not exceeding ten per cent of such higher percentage as the Central Government may permit in any special case) at which the shares are to be issued; and

iii) the shares to be issued at a discount are issued within two months after the date on which the issue is sanctioned by the Company Law Board or within such extended time as the Company Law Board may allow.

Instalments on shares to be duly paid

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

The Board may issue shares as fully paid-up

21. Subject to the provisions of the Act and these Articles, the Board may allot and issue shares in the capital of the Company as payment of any property sold or transferred or for service rendered to the Company in the conduct of its business and any shares which may be so issued shall be deemed to be fully paid-up shares.

Acceptance of shares

22. Any application signed by or on behalf of an applicant for shares in the

Company, followed by an allotment of any share therein, shall be an acceptance of shares within the meaning of these Articles; and every person who thus or otherwise accepts any shares and whose name is therefore placed on the register shall, for the purpose of these Articles, be a member.

23. The money (if any) which the Board of Directors shall, on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them, shall immediately, on the inscription of the name of the allottee in the register of members as the name of the holder of such shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly. Deposit and Call etc. to be a debt payable
24. Every member, or his heirs, executors or administrators to the extent of his assets which come to their hands shall be liable to pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon in such amounts, at such time or times, and in such manner as the Board of Directors shall from time to time, in accordance with the Company's regulations require or fix for the payment thereof. Liability of Members
25. (a) Every member or allottee of shares shall be entitled, without payment, to receive one certificate for all the shares of the same class registered in his name, specifying the name of the person in whose favour it is issued, the share certificate number and the distinctive number(s) of the shares to which it relates and the amount paid up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or 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 shares. PROVIDED THAT if the letter of allotment is lost or destroyed, the Board may impose such reasonable terms, if any, as it thinks fit, as to evidence and indemnity and the payment of out of pocket expenses incurred by the Company in investigating the evidence. The Certificates of title to shares shall be issued under the seal of the Company and shall be signed in conformity with provisions of the Companies (issue of Share Certificates) Rules, 1960 or any statutory modification or re-enactment thereof, for the time being in force. Printing of blank forms to be used for issue of share Certificates and maintenance of books and documents relating to issue of Share Certificates shall be in accordance with the provisions of the aforesaid rules. Such certificates of title to shares shall be completed and kept ready for delivery within three months after the allotment unless the conditions of issue of shares provide otherwise. Share Certificates
- (b) Any two or more joint allottees or holders of shares shall, for the purpose of this article, be treated as a single member and the certificate of any share, which may be subject to joint ownership, may be delivered to any one of such joint owners on behalf of all of them.
26. (a) No certificate of any share or shares shall be issued either in exchange for those which are subdivided or consolidated or in Renewal of share Certificate

replacement of those which are defaced, torn or old, decrepit, worn out, or where the cages on the reverse for recording transfers have been duly utilized; unless the certificate in lieu of which it is issued, is surrendered to the Company.

- (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 counter-foil to the effect that it is "issued in lieu of share certificate No.                      subdivided/replaced."
- (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 on 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 Certificates indicating against the name of the persons to whom the certificate is issued, the number and date of issue of the share certificate in lieu of which the new certificate is issued, and the necessary changes indicated in the Register of members by suitable cross references in the "Remarks" column.
- (f) No fee shall be charged 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 or for sub-division or consolidation of share certificates into lots of the market unit.
- (g) Notwithstanding anything contained under these Articles, no request for sub-division of Share Certificates or Letters of Allotment into denomination of less than 50 (Fifty) Shares shall be accepted unless otherwise resolved by the Board of Directors, except when such sub-division is required to be made to comply with a Statutory Order or an Order of a Competent Court of Law.

The first named of joint holders deemed sole holder

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

Company not bound to recognise any interest in

28. Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise, even when

having notice thereof, 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 (but not exceeding 4 persons) or the survivor or survivors of them.

share other than of registered holder

29. When any declaration is filed with the Company under the provisions of Section 187C of the Act by any holder of shares, who does not hold beneficial interest in such share specifying the particulars of the person holding beneficial interest in such shares or by a person who holds beneficial interest in any share of the Company, but is not the registered holder thereof, the Company shall make a note of such declaration in its register of members and file within 30 days from the date of receipt of the declaration by it, a return with the registrar with regard to such declaration.

Declarations of persons not holding beneficial interest in shares

30. None of the funds of the Company shall, except as provided by Section 77 of the Act be employed in the purchase of its own shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 78, 80 and 100 to 105 of the Act and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person, of or for any share in the Company or in its holding Company.

No purchase of or loans on Company's shares

#### UNDERWRITING AND BROKERAGE

31. 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 of the Company, but so that the commission shall not exceed in the case of shares, five per cent of the price at which the shares are issued and in the case of debentures, two and a half per cent of the price at which the debentures are issued. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or debentures, as the case may be, or partly in one way and partly in the other.

Commission may be paid

32. The Company may, on any issue of shares or debentures, pay such brokerage as may be reasonable and lawful.

Brokerage

33. Where the Company has paid any sum by way of commission in respect of any shares or debentures or allowed any sums by way of discount in respect of any shares or debentures, such statement thereof shall be made in the Annual Return as required by Part I of Schedule V to the Act.

Commission to be included in the Annual return

## INTEREST OUT OF CAPITAL

Interest out of capital

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

## CALLS

Directors may make calls

35. 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.

Notice of calls

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

Calls to date from Resolution

37. 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 may be revoked or postponed  
Liability of joint holders

38. A call may be revoked or postponed at the discretion of the Board.  
39. The Joint-holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.

Directors may extend time

40. The Board may, from time to time, at its discretion, extend the time fixed for payment of any call, and may extend such time as to all or any of the members whom 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

41. 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 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

42. 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 becomes payable, and in case of non-payment all the relevant provisions of these articles as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum

had become payable by virtue of a call duly made and notified.

43. On the trial or hearing of any action or suit brought by the Company against any member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, it shall be sufficient to prove that the name of the member in respect of whose shares the money is sought to be recovered, appears entered on the register of members as the holder, at or subsequent to the date at which the money is sought to be recovered, is alleged to have become due on the shares in respect of which such money is sought to be recovered, 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 representatives sued 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.
44. 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.
- 44.A (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 his 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 upon giving to the member three months' notice in writing; 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.
- (b) No member paying any such sum in advance shall be entitled to voting right in respect of the moneys so paid by him until the same would, but for such payment, become presently payable.

Proof on trial or suit for money due on shares

Partial payment not to preclude forfeiture

Payment in anticipation of calls may carry interest

#### LIEN

45. The Company shall have a first and paramount lien upon all 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 interests in any such share shall be created except upon the footing and condition that this article is to have full legal effect. Any such lien shall

Company to have lien on shares

extend to all dividends from time to time declared in respect of shares. PROVIDED THAT the Board of Directors may, at any time, declare any share to be wholly or in part exempt from the provisions of this article.

As to enforcing lien by sale

46. The Company may sell, in such manner as the Board thinks fit, any shares on which the Company has a lien for the purpose of enforcing the same. PROVIDED THAT no sale shall be made :

(a) unless a sum in respect of which the lien exists is presently payable; or

(b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable has been given to the registered holder, for the time being, of the share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale, the Board may cause to be issued a duplicate certificate in respect of such shares and may authorise out of their number to execute a transfer thereof on behalf of and in the name of such members.

Transfer of shares sold under lien

47. 1) To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof;

2) The purchaser shall be registered as holder of the shares comprised in any such transfer;

(3) The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.

Application of proceeds of sale

48. (1) The net proceeds of any such sale shall be received by the Company and applied in or towards such part of the amount in respect of which the lien exists as is presently payable, and

(2) The residue, if any, shall be paid to the person entitled to the shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the share before the sale).

#### FORFEITURE OF SHARES

If money payable on share not paid, notice to be given to member

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

If call or instalment not paid, notice may be given

50. For the purpose of the provisions of these presents relating to forfeiture of shares, the sum payable upon allotment in respect of a share shall be

deemed to be call payable upon such share on the day of allotment.

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|--|---|
| <p>51. The notice shall name a day (not being less than fourteen days from the date of the notice) and a place or places on and at which such call or instalment and such interest thereon at such rate and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place appointed, the shares in respect of which the call was made or instalment is payable, will be liable to be forfeited.</p>   | Form of notice  |
| <p>52. If the requirements of any such notice as aforesaid shall not be complied with, every or any share 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 of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited shares and not actually paid before the forfeiture.</p>   | If default of payment, shares to be forfeited                                 |
| <p>53. When any share shall have been so forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register of members, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.</p>   | Notice of forfeiture to a member  |
| <p>54. 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 or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.</p>  | Forfeited share to be the property of the Company and may be sold, etc.       |
| <p>55. Any member whose shares have been forfeited shall not withstanding the forfeiture, be liable to pay and shall forthwith pay to the Company on demand all calls, instalments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture together with interest thereon from time of the forfeiture until payment, at such rate not exceeding twelve percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation so to do.</p> | Member still liable to pay money owing at the time of forfeiture and interest |
| <p>56. The forfeiture of a share shall involve extinction at the time of the forfeiture, of all interest in and 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.</p>  | Effect of Forfeiture  |
| <p>57. The Board of Directors may, at any time before any share so forfeited shall have been sold, reallocated or otherwise disposed off, annul the forfeiture thereof upon such conditions as it thinks fit.</p>  | Power to annul forfeiture   |
| <p>58. (1) A duly verified declaration in writing that the declarant is a Director, the Managing Director, or the Manager or Secretary of the Company, and that a share in the Company has been duly forfeited in accordance with these Articles, on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all</p>   | Validity of forfeiture  |

persons claiming to be entitled to the share.

- (2) The Company may receive the consideration if any, given for the share on any sale, re-allotment or other disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed off;
- (3) The person to whom such share is sold, re-allotted or disposed off shall thereupon be registered as the holder of the share;
- (4) Any such purchaser or allottee shall not (unless by express agreement) be liable to pay any calls, amounts, instalments, interest and expense owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interest or bonuses accrued or which might have accrued upon the share before the time of completing such purchase or before such allotment.
- (5) Such Purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the share.

Provision of these articles as to forfeiture to apply in case of non-payment of any sum

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

Cancellation of share certificates in respect of forfeited shares

60. Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the 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 persons entitled thereto.

Surrender of shares

61. The Directors may, subject to the provisions of the Act, accept a surrender of any share from or for member desirous of surrendering on such terms as they think fit.

#### TRANSFER AND TRANSMISSION OF SHARES

Register of Transfers

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

Form of Transfer

63. The instrument of transfer of any share shall be in the prescribed form and in accordance with the requirements of Section 108 of the Act.

Application for transfer

64. (1) An application for the registration of a transfer of the shares in the Company may be made either by the transferor or the transferee.
- (2) When the application is made by the transferor and relates to partly

paid charges, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.

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

65. Every such instrument of transfer duly stamped shall be executed by or on behalf of both the transferor and the transferee and attested and the transferor shall be deemed to remain the holder of such share until the name of the transferee shall have been entered in the Register of Members in respect thereof.

To be executed by transferor and transferee

66. A transfer of a share in the Company by a deceased member thereof made by the legal representative shall, although the legal representative is not himself a member, be as valid as if he had been a member at the time of the execution of the instrument of transfer.

Transfer by legal representative

67. The Board of Directors shall have power, on giving ten days' previous notice by advertisement in some 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 the Register of Debenture Holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate, forty five days in each year as it may seem expedient to the Board.

Transfer books when closed

68. a) Subject to the provisions of Section 111 of the Act, or any statutory modification thereof for the time being in force, the Directors may, at any time, in their own absolute and uncontrolled discretion and without assigning any reasons or grounds, decline to register or acknowledge any transfer of any share and in particular, may so decline in any case in which the Company has a lien upon the shares desired to be transferred or any call or installment regarding any of them remains unpaid. The registration of a transfer shall be conclusive evidence of the approval of the Directors of the transferee.

Directors may refuse to register transfer

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

- (b) No share shall, in any circumstances, be transferred to any minor, insolvent or person of unsound mind.

69. If the Company refuses to register the transfer of any shares or transmission of any right therein, the Company, shall within two months

Notice of refusal to be given to transferor and transferee

from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and the transferor or to the person giving intimation of the transmission, as the case may be, and thereupon the provisions of Section 111 of the Act or any statutory modification thereof for the time being in force, shall apply.

Death of one or more joint-holders of shares

70. In case of the death of any one or more 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.

Titles to shares of deceased member

71. The executors or administrators of a deceased member or the holder of a succession certificate or the legal representatives in respect of the shares of a deceased member (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 names of such member, and the Company shall not be bound to recognise such executors or administrators or holders of a succession certificate or the legal representatives, unless such executors or administrators or legal representatives shall have first obtained Probate or Letters of Administration or Succession certificate, as the case may be, from a duly constituted Court in the Union of India, provided that in any case where the Board of Directors in its absolute discretion thinks fit, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper, dispense with production of Probate or Letters of Administration or Succession Certificate and register under Article 72, 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.

Registration of persons entitled to shares otherwise than by transfer (Transmission clause)

72. Subject to the provisions of article 71, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy or insolvency of any member or by any lawful means other than by a transfer, in accordance with these Articles, may, with the consent of the Board of Directors (which it shall not be under obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under these Articles, or of his title, as the Board of Directors shall require and upon giving such indemnity as the Directors shall require, either be registered as a member in respect of such shares or elect to have some person nominated by him and approved by the Board of Directors, registered as a member in respect of such shares PROVIDED NEVERTHELESS that if such person shall elect to have his nominee registered, he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance with the provision herein contained, and, until he does so, he shall not be freed from any liability in respect of such shares. This clause is herein referred to as "THE TRANSMISSION CLAUSE".

Refusal to register nominees

73. Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any share or his nominee as if he were the transferee named in an ordinary transfer presented for registration.

74. The Company shall be entitled to decline to register more than four persons as the holders of any share.
75. A person entitled to a share by transmission shall, subject to the right of the Directors to retain such dividends or money as hereinafter provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the share.
76. Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board of Directors may require to prove the title of the transferor, his right to transfer the shares and generally under and subject to such conditions and regulations as the Board of Directors shall, from time to time prescribe and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board of Directors. But any instrument of transfer which the Board of Directors may decline to register, shall, on demand, be returned to the person depositing the same.
77. Prior to the registration of a transfer, the certificate or certificates of the share or shares to be transferred, and if no such certificate is in existence, the Letter of Allotment of the shares, must be delivered to the Company along with (save as provided in Section 108 of the Act) a properly stamped and executed instrument of transfer, with the date of presentation of the instrument to the proper authorities, duly engrossed thereon.
78. No fee shall be charged for registration of transfer, grant of Probate, Succession certificate and Letters of Administration, Certificates of Death or Marriage, Power of Attorney or similar other documents.
79. The Company shall incur no liability or responsibility whatever in consequence of its registering or giving effect to any transfer of shares made or purporting to be made by any apparent legal owner thereof as shown or appearing in the register of Members to the prejudice of persons having or claiming any equitable right, title or interest to or in the said shares, notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice, or referred thereto in any book of the Company and the Company shall not be bound or required to regard to attend or give effect to any notice which may be given to it of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do, though it may have been entered or referred to in some book of the Company; but the Company shall nevertheless, be at liberty to regard and attend to any such notice, and give effect thereto if the Board of Directors shall so think fit.
- COPIES OF MEMORANDUM AND ARTICLES OF ASSOCIATION TO BE SENT TO MEMBERS.
80. The company shall, subject to the payment of the fee prescribed under Section 39 of the Act or its statutory modification for the time being in force, on being so required by a member, send to him within seven days of the requirement, a copy of each of the following documents as in force for the time being.

Directors entitled to refuse to register more than four joint-holders

Persons entitled may receive dividend without being registered as Member

Transfer to be presented with evidence of title

Conditions of registration of transfer

No fee on transfer or transmission

The company not liable for disregard of a notice prohibiting registration of a transfer

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

- (a) The Memorandum
- (b) The Articles, and
- (c) Every agreement and every resolution referred to in Section 192 of the Act and in so far as they have not been embodied in the Memorandum of the Company or these Articles.

#### BORROWING POWERS

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| Power to borrow                              | 81. Subject to the provisions of Sections 58A, 292 and 293 of the Act and of these Articles, the Board of Directors may, from time to time at its discretion, if necessary 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 purpose of the Company from any source. 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) except the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board of Directors shall not borrow such money without the sanction of the Company in general meeting. No debt incurred by the Company in the excess of the limit imposed by this article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this article had been exceeded. |
| The payment or repayments of moneys borrowed | 82. The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular, in pursuance of a 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 uncalled capital for the time being, and the debentures and the 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                 | 83. Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, 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.  |
| Mortgage of uncalled capital                 | 84. If any uncalled capital of the Company is included in or charged by any Mortgage or other security, the Directors may, subject to the provisions of the Act and these Articles, make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.   |

85. The Board of Directors 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 Sections 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 Company. The Company shall comply with the provisions of Section 135 of the Act as regards modification of a charge and its registration with the Registrar.

Register of charges etc. to be kept

#### MEETINGS OF MEMBERS

86. 1) The Company shall, in each year hold, in addition to any other meeting, a general meeting as its Annual General Meeting in accordance with the provisions of sections 166 and 210 of the Act and shall specify the meeting as such in the notice calling it, except in the case where the Registrar has given an extension of time for holding any Annual General Meeting and not more than fifteen months shall elapse between the date of one Annual General Meeting of the Company and that of the next. PROVIDED THAT if the Registrar shall have for special reason, extended the time within which any annual general meeting shall be held, such annual general meeting may be held within the additional time.
- 2) Every annual general meeting shall be called for any time during business hours, on a day that is not a public holiday and shall be held either at the registered office of the Company or at some other place within the city or town or village in which the registered office of the Company is situate for the time being.
- 3) 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.
87. At every Annual General Meeting of the Company there shall be laid on the table the Directors' Report and Audited Statement of Accounts, Auditors' Report (if not already incorporated in the Audited Statement of Accounts), the Proxy Register with proxies, and the Register of Directors' Shareholdings.
88. All general meetings other than Annual General Meeting shall be called Extra-Ordinary General Meetings.
89. 1) The Company shall comply with the provision of section 159 of the Act regarding the filing of Annual Return and the provisions of Section 161 of the Act as regards the Annual Return and certificates to be annexed thereto.
- 2) The Register of Members, Index of Members, the Register and Index of Debenture Holders and copies of all Annual Returns prepared under Sections 159 and 161 of the Act together with the copies of certificates and documents required to be annexed thereto under Sections 159 and 161 of the Act shall be kept at the registered office of the Company.

Annual General Meeting

Report, Statement and Registers to be laid before the Annual General Meeting

Extra-ordinary General Meeting

Annual return

Place of keeping and inspection of registers and returns

PROVIDED THAT such Registers, Indexes, Returns and copies of certificates and documents or any one or more of them may, instead of being kept at the Registered Office of the Company, be kept at any other place within the city or town in which the Registered Office of the Company is situate for the time being, if

- i) such other place has been approved for this purpose by a Special Resolution passed by the Company in General Meeting and
- ii) The Registrar has given in advance a copy of the proposed Special Resolution.

Inspection

- 3) a) Registers, Indexes, Returns and copies of certificates and other documents referred to in sub-clause (2) hereof shall, except when the Register of Members of Debenture Holders is closed under the provisions of the Act, be open during the business hours subject to such reasonable restrictions the Company may impose, so that not less than two hours in each day are allowed for inspection (i) of any member or debenture holder without fee and (ii) of any other person on payment of fee of one rupee for each inspection.
- b) Any such member, debenture holder or other person may take abstract from the said document or require copy thereof in accordance with Section 163 of the Act.
- 4) The Company shall cause any copy required by any person under clause (b) of subclause (3) to be sent to that person within a period of ten days exclusive of non-working days, commencing on the day next after the day on which the requirement is received by the Company.

Circulation of Members's Resolution

- 90. 1) Subject to the provisions of Section 188 of the Act, the Directors shall, on the requisition in writing of such number of members as is hereinafter specified and (unless the Annual General Meeting otherwise resolves) at the expense of the requisitionists
  - a) give to the members of the Company entitled to receive a notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.
  - b) circulate to members entitled to have notice of any general meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or the business to be dealt with at that meeting.
- 2) The number of members necessary for a requisition under clause (1) hereof shall be :
  - a) such member or members as represent not less than one-twentieth of the total voting power of all the members having, at the date of the requisition, a right to vote on the resolution or

business to which the requisition relates; or

- b) not less than one hundred members having the right aforesaid and holding shares in the Company on which there has been paid up an aggregate sum of not less than rupees one lakh in all.
- 3) Notice of any such resolution shall be given and any such statement shall be circulated to members of the Company entitled to have notice of the meeting sent to them by serving a copy of the resolution or statement on such members in any manner permitted by the Act for service of notice of the meeting and notice of any such resolution shall be given to any other member of the Company by giving notice of the general effect or the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served or notice of the effect of the resolution shall be given as the case may be, in the same manner, and so far as practicable at the same time as notice of the meeting, and where it is not practicable for it to be served or given at that time, it shall be served or given as soon as practicable thereafter.
- 4) The Company shall not be bound under this article to give notice of any resolution or to circulate any statement unless
  - a) a copy of the requisition signed by the requisitionists for two or more copies which between them contain the signature of all the requisitionists is deposited at the registered office of the Company.
    - i) in the case of a requisition requiring notice of resolution, not less than six weeks before the meeting, and
    - ii) in the case of any other requisition not less than two weeks before the meeting, and
  - b) there is deposited or tendered with the requisition, a sum reasonably sufficient to meet the Company's expenses in giving effect thereto.

PROVIDED THAT if after a copy of the requisition requiring notice of a resolution has been deposited at the registered office of the Company, and an annual general meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purpose thereof.
- 5) The Company shall not also be bound under this article to circulate any statement, if, on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this Clause are being abused to secure needless publicity for defamatory matter.
- 6) Notwithstanding anything in these Articles contained, the business which may be dealt with at an Annual General Meeting shall include

a resolution of which notice is given in accordance with this article and for the purpose of this clause notice, shall be deemed to have been so given notwithstanding the accidental omission in giving it to one or more members.

Extra-ordinary general meeting by Board and by requisition

91. The Directors may, whenever they think fit, convene an Extra-ordinary General Meeting and they shall on requisition of the members as hereinafter provided, forthwith proceed to convene Extra-ordinary General Meeting of the Company.

Contents of requisition and number of requisitionists required and the conduct of meeting

92. In case of requisition, the following provisions shall have effect :

- 1) The requisition shall set out the matters for the consideration of which the meeting is to be called, shall be signed by the requisitionists and shall be deposited at the registered office of the Company.
- 2) The requisition may consist of several documents in like form each signed by one or more requisitionists.
- 3) The number of members entitled to requisition a meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up capital of the Company as at that date, carries the right of voting in regard to that matter.
- 4) Where two or more distinct matters are specified in the requisition, the provisions of sub clause (3) shall apply separately in regard to such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.
- 5) If the Board does not, within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed duly to call a meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the meeting may be called
  - a) by the requisitionists themselves, or
  - b) by such of the requisitionists 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 the paid-up share capital of the Company referred to in subclause (3) whichever is less. PROVIDED that for the purpose of this sub-clause the Board shall, in the case of a meeting at which a resolution is to be proposed as a special resolution be deemed not to have duly convened the meeting if they do not give such notice thereof as is required by sub-section (2) of Section 189 of the Act.
- 6) A meeting called under clause (5) by requisitionists or any of them :
  - a) shall be called in the same manner, as nearly possible, as that in which meetings are to be called by the Board but

- b) shall not be held after the expiration of three months from the date of deposit of the requisition

PROVIDED that nothing in sub-clause (b) shall prevent a meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some day after the expiry of that period.

- 7) Where two or more persons hold any shares in the Company jointly, a requisition or a notice calling a meeting by one or some only of them shall, for the purpose of this article, have the same force and effect as if it had been signed by all of them.
- 8) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board duly to call a meeting shall be repaid to the requisitionists by the Company, and any sums so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default.

93. 1) A general meeting of the Company may be called by giving not less than twenty one days' notice in writing.

Length of notice of Meeting

- 2) A general meeting may be called after giving shorter notice than that specified in clause (1) hereof if consent is accorded thereto

- i) in the case of an Annual General Meeting by all the members entitled to vote thereat; and
- ii) in the case of any other meeting, by members of the Company holding not less than ninety-five per cent of such part of the paid-up share capital of the Company as gives a right to vote at the meeting.

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

94. 1) Every notice of a meeting of the Company shall specify the place and the day and hour of the meeting and shall contain a statement of the business to be transacted thereat.

Contents and manner of service of notice

- 2) Subject to the provisions of the Act, notice of every General Meeting shall be given

- a) to every member of the Company in the manner authorised by sub-sections (1) to (4) of section 53 of the Act,
- b) to the persons entitled to a share in consequence of the death, or insolvency of a member, by sending it through post in a pre-paid letter addressed to them by name, or by the title of representatives of the deceased or assignee of the insolvent or

by like description, at the address, of any, in India supplied for the purpose by the persons claiming to be so entitled, or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred and

- c) to the Auditors or Auditor for the time being of the Company, in any manner authorised by section 53 of the Act in the case of any member of the Company.

PROVIDED that where the notice of a meeting is given by advertising the same in a newspaper circulating in the neighbourhood of the Registered Office of the Company under sub-section (3) of Section 53 of the Act, the statement of material facts referred to in Section 173 of the Act need not be annexed to the notice as required by the Section, but it shall be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

- 3) Every notice convening a meeting of the Company shall state that a member entitled to attend and vote at the meeting is entitled to appoint a proxy to vote and attend instead of himself and that a proxy need not be a member of the Company.

Special and Ordinary  
business and explanatory  
statement

95. 1) a) In the case of an Annual General Meeting, all business to be transacted at the meeting, shall be deemed special with the exception of business, relating to :

i) The consideration of the accounts, balance sheet and reports of the Board of Directors and Auditors;

ii) The declaration of dividend;

iii) The appointment of Directors in the place of those retiring; and

iv) The appointment of and the fixing of the remuneration of the auditors

- b) In the case of any other meeting, all business shall be deemed special;

- 2) Where any items of business to be transacted at the meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the meeting, a statement setting out all material facts concerning each such item of business including in particular, the nature of the concern or interest, if any, therein of every Director.

PROVIDED that where any item of special business at the meeting of the Company relates to or affects any other company, the extent of shareholding interest in that other company of every Director shall be set out in the statement, if the extent of such shareholding interest is not less than 20 percent of the paid-up share capital of that other company.

- 3) Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected, shall be specified in the statement aforesaid.
96. The accidental omission to give any such notice as aforesaid to or non-receipt thereof by any member or other person to whom it should be given, shall not invalidate the proceedings of any such meeting. Omission to give notice not to invalidate a Resolution passed
97. No General Meeting, Annual or Extra-ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the meeting. Notice of business to be given
98. Seven members entitled to vote and present in person shall be quorum for general meeting and no business shall be transacted at the general meeting unless the quorum requisite be present at the commencement of the meeting. 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. President of India or the Governor of a State being a member of the Company shall be deemed to be personally present if he is represented in accordance with Section 187 A of the Act. Quorum
99. If within half an hour from the time appointed for holding a meeting of the Company, a quorum is not present, the meeting, if called by or upon the requisition of members, shall stand dissolved and in any other case, the meeting shall stand adjourned to the same day in the next week or if that day is a public holiday, until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the meeting, the members present shall be a quorum and may transact the business for which the meeting was called. Presence of Quorum
100. Where a resolution is passed at an adjourned meeting of the Company, the resolution shall, for all purposes be treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date. Resolution passed at adjourned meeting
101. The Chairman of the Board of Directors shall be entitled to take the chair at every general meeting, or if there be no such Chairman, or if at any meeting he shall not be present within fifteen minutes after the time appointed for holding such meeting, or shall decline to take the chair, the Directors present shall elect one of them as Chairman and if no Director be present or if the Directors present decline to take the chair, then the members present shall elect one of their number to be a Chairman. If a poll is demanded on the election of the Chairman it shall be taken forthwith in accordance with the provisions of the Act and the Chairman elected on show of hands shall exercise all the powers of the Chairman under the said provisions. If some other person is elected as a result of the poll he shall be the Chairman for the rest of the meeting. Chairman of general meeting
102. No business shall be discussed at any general meeting except the election of a Chairman whilst the chair is vacant. Business confined to election of chairman whilst chair vacant

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| Chairman may adjourn Meeting                                | <p>103. 1) The Chairman may, with the consent of any meeting at which a quorum is present and shall if so directed by the meeting, adjourn the meeting from time to time and from place to place.</p> <p>2) No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>3) When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>4) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned meeting.</p>   |
| Voting to be by show of hands in the first instance         | <p>104. At any general meeting, a resolution put to the vote of the meeting shall, unless a poll is demanded under Article 106, be decided on a show of hands.</p>   |
| Chairman's declaration of result of voting on show of hands | <p>105. A declaration by the Chairman that in pursuance of Article 104, on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceeding of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of votes in favour or against such resolution.</p>  |
| Demand for Poll   | <p>106. Before or on the declaration of the result of the voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of the Meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding shares in the company which confer a power to vote on the resolution not being less than one tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand Rupees has been paid up. The demand for a poll may be withdrawn at any time by the person or persons who make the demand.</p> |
| Time of taking poll   | <p>107. A poll demanded on any question of adjournment shall be taken forthwith. A poll demanded on any other question (not being relating to the election of a Chairman, which is provided for in Article, 103) shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the meeting may direct.</p>   |
| Chairman's casting vote                                     | <p>108. In the case of an equality of votes, the Chairman shall both on a show of hands and/or on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a member.</p>  |
| Scrutineers at poll   | <p>109. Where a poll is to be taken, the Chairman of the meeting shall appoint two scrutineers to scrutinize the vote given on the poll and to report thereon to him. One of the 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</p>  |

of the poll is declared to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.

110. The demand for a poll except on the question 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
111. Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the meeting at which it is to be moved, exclusive of the day on which the notice is served or deemed to be served and the day of the meeting. The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner, as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the meeting.
- Special notice
112. The following resolution shall require special notice :
- Resolutions requiring special notice
- 1) Resolution under Section 225 of the Act at an annual general meeting appointing as Auditor a person other than a retiring Auditor or providing expressly that a retiring Auditor shall not be re-appointed.
  - 2) Resolution under Section 284, of the Act removing a Director before the expiry of his period of office;
  - 3) Resolution under Section 284 of the Act appointing a Director in place of the Director so removed.
113. A copy of each of the following resolutions (together with copy of the statement of material facts annexed under Section 173 of the Act to the notice of the meeting in which such resolution has been passed) or agreement shall, within thirty days after the passing or making thereof be printed or typewritten and duly certified under the signature of an officer of the Company and filed with the Registrar :
- Registration of documents with the Registrar
- a) Every special resolution
  - b) Every resolution which has been agreed to by all members of the Company, but which, if not so agreed to would not have been effective for the purpose unless it had been passed as a special resolution.
  - c) Every resolution of the Board of Directors or agreement executed by the Company relating to the appointment, reappointment or renewal of appointment or variation in the terms of appointment of a Managing Director.
  - d) Every resolution or agreement which has been agreed to by all the

members of any class of shareholders but which, if not so agreed to, would not have been effective for the purpose unless it had been passed by some particular majority required by the Act or by these articles and every resolution or agreement which effectively binds all the members or any class of shareholders though not agreed to by all of them.

- e) Every resolution passed by the Company
  - i) according consent to the exercise by the Board of Directors of any of the powers under clause (a), (d) and (e) of sub-section (i) of the Section 293 of the Act,
  - ii) approving the appointment of sole selling agents under Section 294 and 294AA of the Act and;
- f) A resolution for voluntary winding up of the Company.
- g) Copies of the terms and conditions of appointment of a Sole Selling Agent appointed under Section 294 or of a Sole Selling Agent or other person appointed under Section 294AA.

A copy of every such resolution or agreement for the time being in force, shall also be embodied in or annexed to, every copy of these Articles issued after the passing of the resolution or the making of the agreement.

#### VOTES OF MEMBERS

Members paying money in advance not to be entitled to vote in respect thereof

114. A member paying the whole or part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable.

Restriction on exercise of voting rights of members who have not paid calls

115. No member shall exercise any voting rights 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 exercised any right of lien.

Number of votes to which member is entitled

116. Subject to the provisions of Articles 114 and 115, every member of the Company holding any equity share capital and otherwise entitled to vote, shall, on a show of hands, when present in person (or being a body corporate present by a representative duly authorised) have one vote and on a poll, when present in person (including a body corporate by a duly authorised representative) or by an agent duly authorised under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of the Company. Provided, however, if any preference share-holder be present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87, he shall have a right to vote only on resolutions before the meeting which directly affect the rights attached to his preference shares. A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote is taken.

117. A member of unsound mind or in respect of whom order has been made by any court having jurisdiction in lunacy, may vote whether on a show of hands or on a poll by his committee or other legal guardian and any such committee or guardian may on a poll vote by proxy.
- Vote of members of unsound mind
118. If there be joint registered holders of any shares, any one of such persons may vote at any meeting personally or by an agent duly authorised under a Power of Attorney or by 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 either personally or by agent or by proxy, that one of the said person so present who stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting; provided always that a person present at any meeting personally shall be entitled to vote in preference to a person present by an agent duly authorised under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register in respect of such shares. 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.
- Votes of joint members
119. 1) A body corporate (whether a company within the meaning of the Act or not) may, if it is a member or creditor of the company (including a holder of debentures), authorise such person as it thinks fit, by a resolution of its Board of Directors or other Governing Body, to act as its representative at any meeting of the creditors of the Company or debenture holders of the Company. A person authorised by resolution as aforesaid, shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents, as that body could exercise, if it were an individual member creditor or holder of debentures of the Company.
- Representation of body corporate
- 2) Where the President of India or the Governor of a State is a member of the Company, the President, or as the case may be, the Governor may appoint such person, as he thinks fit, to act as his representative at any meeting of the Company or at any meeting of any class of members of the Company and such a person shall be deemed to be a member of the Company and shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a member of the Company.
120. Any person entitled under the Transmission Clause to transfer any shares may vote at any general meeting in respect thereof in the same manner as if he was the registered holder of such shares, provided that at least forty eight hours before the time for holding the meeting or adjourned meeting, as the case may be, at which he proposes to vote, he shall satisfy the Directors of his right to transfer such shares and give such indemnity (if any) as the Directors may require, unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.
- Votes in respect of deceased or insolvent members

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|--|---|
| Voting in person or by proxy   | 121. Subject to the provisions of these Articles, votes may be given either personally or by proxy.   |
| Rights of members to use his votes differently                           | 122. 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.   |
| Proxies  | 123. Any member of the Company entitled to attend and vote at a meeting of the Company, shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote instead of himself. PROVIDED ALWAYS that a proxy so appointed shall not have any right whatever to speak at the meeting. Every notice convening a meeting of the Company shall state that a member entitled to attend and vote is entitled to appoint one or more proxies.  |
| Proxy either for specified meeting or for a period                       | 124. An instrument of proxy may appoint a proxy either for the purpose of a particular meeting specified in the instrument and any adjournment thereof or it may appoint for the purposes of every meeting to be held before a date specified in the instrument and every adjournment of any such meeting.  |
| No proxy except for a corporation to vote on a show of hands             | 125. No member present only by proxy shall be entitled to vote on a show of hands   |
| Deposit of instrument of appointment                                     | 126. The instrument appointing a proxy and the Power of Attorney or other authority (if any) under which it is signed or a notorially certified copy of that Power of Attorney or authority, shall be deposited at the office forty-eight hours before the time for holding the meetings at which the person named in the instrument proposes to vote, and in default, the instrument of proxy shall not be treated as valid. No instrument appointing a proxy shall be valid after the expiration of twelve months from the date of its execution. |
| Form of proxy  | 127. Every instrument of proxy whether for specified meeting or otherwise, shall as nearly as circumstances will admit, be in any of the forms set out in Schedule IX to the Act, and signed by the appointer or his attorney duly authorised in writing, or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorised by it.   |
| Inspection of proxies  | 128. Every member entitled to Vote at a meeting of the Company according to the provisions of these articles on any resolution to be moved thereat, shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting to inspect proxies lodged at any time during the business hours of the Company provided not less than three days notice in writing of the intention so to inspect is given to the Company.                              |
| Validity of votes given by proxy notwithstanding revocation of authority | 129. 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 or authority under which such proxy was signed or the transfer of the share in respect of which the vote is given, provided that no intimation in writing, of the  |

death, insanity, revocation or transfer shall have been received at the office before the commencement of the meeting, or adjourned meeting at which the proxy is used.

130. No objection shall be made to the qualifications of any voter or to the validity of a vote except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such meeting, shall be valid for all purposes. Any such objection made in due time shall be referred to the Chairman of the Meeting.
131. The Chairman of any meeting shall be the sole judge of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.
132. If any such instrument of appointment be confined to the object of appointing an attorney or proxy for voting at meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If embracing other objects, copy thereof examined with the original, shall be delivered to the Company to remain in the custody of the Company.
- DIRECTORS
133. Until otherwise determined by a general meeting of the Company and subject to the provisions of Section 253 of the Act, the number of Directors, (excluding Debenture Directors, permanent Directors, Special Directors and Nominee Directors, if any) shall be not less than 3 and not more than 15.
134. The existing Directors of the Company are :
1. Dr. Neelkanth A. Kalyani
  2. Mr. B. N. Kalyani
  3. Mr. D. G. Karnik
  4. Mr. A. N. Rukari
  5. Mr. S. K. Mohile
  6. Mr. D. C. Agashe
  7. Mr. P. R. Bafana
  8. Mr. S. S. Vaidya
  9. Mr. P. S. Bhalerao
  10. Mr. K. Ramaswami
135. Any Trust Deed for securing debentures or debenture stocks, may if so arranged, provide for the appointment, from time to time, by the Trustees thereof or by the holders of debentures or debenture stocks of some person to be a Director of the Company and may empower such Trustees or holder of debentures or debenture stocks, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director, for the time being in office, under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provision as may be agreed between the Company and the Trustees and all such provisions shall have effect not

Time for objections to vote

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

Custody of instrument

Number of Directors

Directors

Debenture Director

withstanding any of the other provisions herein contained.

Nominee Directors

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

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

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

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

The Company shall pay to the Nominee Director/s sitting fees and

expenses which the other Directors of the Company are entitled, but if any other fees, commission, moneys or remuneration in any form is payable to the Directors of the Company, the fees, commission, moneys 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 and the sitting fees in relation to such Nominee Director/s shall also accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Provided further that if such Nominee Director/s is an officer of the Reserve Bank of India, the sitting fees in relation to such Nominee Director/s shall also accrue to IDBI and the same shall accordingly be paid by the Company directly to IDBI.

In the event of the Nominee Director/s being appointed as whole time Director/s, such Nominee Director/s shall exercise such powers and have such rights as are usually exercised or available to a whole time Director in the Management of the affairs of the Company. Such whole time Director/s shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation.

137. In Connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know how and/ or machinery or technical advice, the Directors may authorise such company, corporation, firm or person hereinafter in the clause referred to as "Collaborator", to appoint from time to time, any person as a Director of the Company (hereinafter referred to as "Special Director") and may agree that such Special Director shall not be liable to retire by rotation, so however that such Special Director shall hold office so long as such collaboration arrangement remains in force.

Special Directors

The Collaborator may, at any time and from time to time remove such Special Director appointed by it and may at any time after such removal and also in the case of death or resignation of the person so appointed, at any time, appoint any other person as a Special Director in his place and such appointment or removal shall be made in writing signed by the Collaborator or his authorised representative and shall be delivered to the Company at its Registered Office. It is clarified that every collaborator entitled to appoint a Director under this Article may appoint one such person as a Director and so that, if more than one collaborator is so entitled, there may be at any time as many Special Directors as the member of Collaborators eligible to make the appointment.

138. The provisions of Articles 134, 135, 136 and 137 are subject to the provision of section 256 of the Act and the number of such Directors appointed under Articles 135, 136, 137 and 172 shall not exceed, in the aggregate, one third of the total number of Directors for the time being, in office.

Limit on number of retiring Directors

139. The Board may appoint an Alternate Director to act for a Director, hereinafter called the original Director, for a period of not less than three

Appointment of alternate Director

months from the State in which meetings of the Board are ordinarily held during his absence. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meeting of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally, at such meetings, to have and exercise all the powers and duties and authorities of the original Director. The Alternate Director appointed under this Article shall vacate office as and when original Director returns to the State in which meetings of the Board are ordinarily held. If the term of office of the original Director is determined before he returns to the State in which meetings of the Board are ordinarily held, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the original Director and not to the Alternate Director.

Directors may fill vacancies

140. The Directors shall have power at any time and from time to time to appoint any qualified person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall retain his 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 as aforesaid but he shall then be eligible for re-election.

Additional Directors

141. The directors shall also have power, at any time and from time to time, to appoint any other qualified person to be a Director as an addition to the Board but so that the total number of Directors shall not, at any time, exceed the maximum fixed. Any person so appointed as an addition to the Board shall retain his office only upon the date of the next annual general meeting but shall be eligible for election at such meeting.

Qualification of Directors

142. A Director shall not be required to hold any qualification shares.

Remuneration of Directors

143. a) The remuneration of a Director for his service shall be such sum as may be determined by the Board of Directors but not exceeding the sum as may be prescribed by the provisions of the Company's Act 1956 or otherwise by the Central Government from time to time for each meeting of the Board or a Committee thereof attended by him provided that subject to the provisions of the Act, an additional Rupees one hundred and fifty shall be paid to the Chairman of the Board of Directors for the time being elected in accordance with the Articles for each meeting of the Board attended by him. The Directors, subject to the sanction of the Central Government (if any required), may be paid such further remuneration as the Company in general meeting shall, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine, and in default of such determination shall be divided among the Directors equally.
- b) Subject to the provisions of the Companies Act, 1956 a Director who is neither in the whole-time employment of the company nor a Managing Director, may be paid remuneration, either
- A) By way of a monthly, quarterly or annual payment with the

approval of the Central Government if necessary or

- B) By way of commission if the Company by a Special Resolution authorises such payment.

Provided that the remuneration paid to such director, or where there is more than one such director, to all of them together, shall not exceed.

- 1) 1% of the net profits of the Company, if the Company has a Managing Director or whole time Director, or a Manager.
- 2) 3% of the net profits of the Company, in any other case.

144. Subject to the provisions of Sections 198, 309, 310, 311 and 314 of the Act, if any Director, being willing, shall be called upon to perform extra service (which expression shall include work done by a Director as a member of any committee formed by the Directors or in relation to signing share certificates) or to make special exertion in going or residing out of his usual place of residence or otherwise for any of the purpose of the Company, the Company shall remunerate the Director so doing, either by a fixed sum or otherwise, as may be determined by the Directors, and such remuneration may be, either in addition to or in substitution for his share in the remuneration above provided.

Extra Remuneration to  
Directors for special work

145. The Board of Directors may, subject to the limitations provided by the Act, allow and pay to any Directors who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.

Travelling expenses  
incurred by Directors on  
Company's business

146. The continuing Directors may act notwithstanding any vacancy in their body, but if and as long as either number is reduced below the quorum fixed by these Articles for a meeting of the Board of Directors, the Continuing Directors may act for the purpose of increasing the number of Directors to that fixed for the quorum or for summoning a general meeting of the Company, but for no other purpose.

Directors may act  
notwithstanding vacancy

147. A person shall not be capable of being appointed Director of the Company, if :

Disqualification of  
Directors

- a) he has been found to be of unsound mind by a court of competent jurisdiction and the finding is in force;
- b) he is an undischarged insolvent;
- c) he has applied to be adjudged an insolvent and his application is pending;
- d) he has been convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence;

- e) he has not paid any call in respect of shares of the Company held by him whether alone or jointly with others and six months have elapsed from the last day fixed for the payment of the call, or
- f) an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and is in force; unless the leave of the Court has been obtained for his appointment in pursuance of that section.

Vacation of office by  
Directors

148. 1) The Office of a Director shall become vacant if :

- a) he is found to be of unsound mind by a Court of competent jurisdiction; or
- b) he applies to be adjudged an insolvent; or
- c) he is adjudged an insolvent; or
- d) he is convicted by a court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for not less than six months; or
- e) he fails to pay call in respect of shares of the Company held by him whether alone or jointly with others, within six months from the last date for the payment of the call unless the Central Government by a Notification removed the disqualification incurred by such failure; or
- f) he absents himself from three consecutive meetings of the Board of Directors or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or
- g) he (whether by himself or by any person for his benefit or on his account) or any firm in which he is a partner or any private company of which he is a Director, accepts a loan, or any guarantee or security for a loan from the Company in contravention of Section 295 of the Act; or
- h) he being in anyway 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, fails to disclose the nature of his concern or interest at a meeting of the Board of Directors as required by section 299 of the Act; or
- i) he becomes disqualified by an order of the Court under Section 203 of the Act; or
- j) he is removed by an ordinary resolution of the Company before the expiry of his period of office; or
- k) if by notice in writing to the Company, he resigns his office; or
- l) 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.

2) Notwithstanding anything contained in sub-clauses (c), (d) and (i) of clause (1) hereof, the disqualification referred to in these clauses shall not take effect :

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

149. a) The Company may (subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles) by ordinary resolution remove any Director before the expiry of his period of office.

Removal of Directors

b) Special notice as provided by Article 111 or Section 190 of the Act shall be required of any resolution to remove a Director under the Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.

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

d) Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect there to representation in writing to the Company ((not exceeding a reasonable length) and requests their notification to members of the company, the company shall, unless the representations are received by it too late for it to do so (a) in the notice of the resolution given to members of the Company state the fact of the representations having been made, and (b) send a copy of the representations to every member of the Company to whom notice of the meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late or because of the Company's default, the Director may (without prejudice to his right to be heard orally) require that the representations shall be read out at the meeting; Provided that copies of the representations need not be sent or read out at the meeting if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this sub-clause are

being abused to secure needless publicity for defamatory matter.

- e) A vacancy created by the removal of a Director under this article may, if he had been appointed by the Company in General Meeting or by the Board in pursuance of Article 140 or Section 262 of the Act be filled by the appointment of another Director in his stead by the meeting at which he is removed; Provided special notice of the intended appointment has been given under sub-clause (b) hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.
- f) If the vacancy is not filled under sub-clause (e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 140 or Section 262 of the Act, and all the provisions of that Article and Section shall apply accordingly.
- g) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.
- h) Nothing contained in this Article shall be taken
  - i) as depriving a person removed hereunder of any compensation or damages payable to him in respect of the termination of his appointment as director; or
  - ii) as derogating from any power to remove a Director which may exist apart from this Article.

Directors may contract  
with the Company

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

Disclosure of Director's  
interest

151. 1) Every Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into, by or on behalf of the Company, shall disclose the nature of his concern or interest at a meeting of the Board of Directors, in the manner provided in Section 299 (2) of the Act.
- 2) a) In the case of a proposed contract or arrangement, the disclosure required to be made by a Director under clause (1) shall be made at the meeting of the Board at which the question of entering into the contract or arrangement is first taken into consideration, or if the Director was not, at the date of that meeting, concerned or interested in the proposed contract or arrangement, at the first meeting of the Board held after he

becomes so concerned or interested.

- b) In case of any other contract or arrangement, the required disclosure shall be made at the first meeting of the Board held after the Director becomes concerned or interested in the contract or arrangement.
- 3) a) For the purpose of clauses (1) and (2), a general notice given to the Board by a Director to the effect that he is a Director or a member of a specified body corporate or is a member of a specified firm and is to be regarded as concerned or interested in any contract or arrangement which may, after the date of the notices, be entered into with that body corporate or firm, shall be deemed to be sufficient disclosure of concern or interest in relation to any contract or arrangement so made.
- b) Any such general notice, shall expire at the end of the financial year in which it is given, but may be renewed for further periods of one financial year at a time by a fresh notice given in the last month of the financial year in which it would otherwise expire.
- c) 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.
- 4) Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into between the Company and any other company where any one or more of the Directors of the Company together holds or hold not more than two percent of the paid up share capital in the other company.
152. 1) Except with the consent of the Board of Directors of the Company, a Director of the Company, or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm, or a private company of which the Director is a member or director, shall not enter into any contract with the Company :
- a) for the sale purchase or supply of goods, materials or services;  
or
- b) for underwriting the subscription of any share in or debentures of the Company.
- 2) Nothing contained in clause (a) of sub-clause (1) shall affect:
- a) the purchase of goods and materials for the Company or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or
- b) Any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private Company on the other for sale, purchase or supply of any goods, materials

Board resolution  
necessary for certain  
contracts

and services in which either the Company or the Director, relative, firm, partner or private company as the case may be, regularly trades or does business, PROVIDED that such contract or contracts do not relate to goods and materials the value of which or services the cost of which exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts; or

- 3) Notwithstanding anything contained in clauses (1) and (2) a Director, relative, firm, partner or private company as aforesaid may, in circumstances of urgent necessity, enter, without obtaining the consent of the Board, into any contract with the Company for the sale, purchase of any goods, materials or services even if the value of such goods and materials or cost of such services exceeds rupees five thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a meeting within three months of the date on which the contract was entered into.
- 4) Every consent of the Board required under this Article shall be accorded by a resolution of the Board required under clause (1) and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the date on which it was entered into.
- 5) If the consent is not accorded to any contract under this article, anything done in pursuance of the contract will be voidable at the option of the Board.

Disclosure to the members of Director's interest in contract in appointing Manager or Managing Director.

153. If the company :

- a) enters into a contract for the appointment of a Manager or a Managing Director of the Company in which contract, any Director of the Company is in any way directly or indirectly concerned or interested; or
- b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.

Holding of office of profit by Directors etc.

154. 1) Except with the consent of the Company accorded by a special resolution as provided under section 314 of the Act :

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

except that of a managing director, manager, banker, or trustee.

for the holders of debentures of the Company

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

PROVIDED that it shall be sufficient if the special resolution according the consent of the Company is passed at the general meeting of the Company held for the first time after the holding of such office or place of profit;

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

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

- 2) Nothing in Clause (1) hereof shall apply where a relative of a Director or a firm in which such relative is a partner holds any office or place of profit under the Company or a subsidiary thereof having been appointed to such office or place before such Director becomes a Director of the Company.
- 3) If any office or place of profit is held in contravention of the provisions of clause (1) above or except as provided by clause (2) above, the Director, partner, relative, firm, private Company or the manager concerned shall be deemed to have vacated his or its office as such on and from the date next following the date of the general meeting of the Company referred to in the first proviso to clause (1) above or, as the case may be, the date of the expiry of the period of three months referred to in the second proviso to clause (1) above, and shall also be liable to refund to the Company remuneration received or the monetary equivalent of any perquisite or advantage enjoyed by him or it for the period immediately preceeding the date aforesaid in respect of such office or place of profit.
- 4) Every individual, firm, private company or other body corporate proposed to be appointed to any office or place of profit to which this Article applies shall, before or at the time of such appointment, declare in writing whether he or it is or is not connected with the Director of the Company in any of the ways referred to in clause (1).

5) Any office or place shall be deemed to be an office or place of profit under the Company within the meaning of clause (1)

a) in case the office or place is held by a Director, if the Director holding it obtains from the company anything by way of remuneration over and above the remuneration to which he is entitled as such Director whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.

b) in case the office or place is held by an individual other than a Director or by any firm, private company or other body corporate if the individual, firm, private company or body corporate holding it obtain from the Company anything by way of remuneration whether as salary, fees, commission, perquisites, the right to occupy free of rent any premises as a place of residence or otherwise.

6) Notwithstanding anything contained in sub-clause (1) :

a) no Partner or relative of a Director or Manager.

b) no firm in which such Director or Manager or relative of either is a Partner.

c) no private company of which such a Director or Manager or relative of either is a Director or member,

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

Loans to Directors etc.

155. The Company shall not without obtaining the previous approval of the Central Government in that behalf, directly or indirectly make any loan to or give any guarantee or provide any security in connection with a loan made by any other person to, or to any other person by

a) any Director of the Company or any partner or relative of any such Director;

b) any firm in which any such Director or relative is a partner;

c) any private company of which any such Director is a Director or member;

d) any body corporate at a general meeting of which not less than twenty-five percent of the total voting power may be exercised or controlled by any such Director or by two or more such Directors together; or

e) any body corporate, the Board of Directors, Managing Director or Manager whereof, is accustomed to act in accordance with the directions or instructions of the Board, or of any Director or Directors of the Company.

156. The Company shall observe the restrictions imposed on the Company in regard to making any loans giving any guarantee or providing any security to the Companies or bodies corporate under the same management as provided in Section 370 of the Act.

Loan etc. to Companies

157. No Director of the Company shall, as a Director, take any part in the discussion of or vote on any contract or arrangement entered into, or to be entered into, by or on behalf of the Company, if he is in any way whether directly or indirectly concerned or interested in such contract or arrangement nor shall his presence count for the purpose of forming a quorum at the time of any such discussion or vote and if he does vote, it shall be void; provided that the Board of Directors or any of its number may vote on any contract of indemnity against any loss which it or any one or more of its number may suffer by reason of becoming or being sureties or surety for the Company. Nothing in this Article shall apply to any contract or arrangement entered into or to be entered into with a public company or a private company which is subsidiary of a public company in which the interest of the Director aforesaid consists solely -

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

- 1) in his being Director of such company and the holder of not more than shares of such number and value therein as is requisite to qualify him for the appointment as a Director thereof, he having been nominated as such Director by the Company.
- 2) in his being a member holding not more than two percent of its paid up share capital.

This Article is subject to the provisions of sub-section (2) of Section 300 of the Act.

158. 1) The Company shall keep one or more registers in which shall be entered separately particulars of all contracts and arrangements to which Section 297 or Section 299 of the Act apply including the following particulars to the extent they are applicable in each case namely,

Register of contracts in which Directors are interested

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

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

- a) in the case of a contract or arrangement requiring the Board's

- approval within seven days (exclusive of public holidays) of the meeting of the Board at which the contract or arrangement is approved;
- b) in the case of any other contract or arrangement, within seven days of the receipt at the registered office of the Company of the particulars of such other contract or arrangement or within thirty days of the date of such other contract or arrangement whichever is later, and the Register shall be placed before the next meeting of the Board and shall be signed by all the Directors present at the meeting.
- c) The Register shall be kept at the registered office of the Company, and it 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 provision of Section 163 of the Act shall apply accordingly.
- 3) The Register aforesaid shall also specify, in relation to each Director of the Company the names of the firms and bodies corporate of which notice has been given by him under sub-section (3) of Section 299 of the Act.
- 4) Nothing in clauses (1), (2) and (3) shall apply to any contract or arrangement for the sale, purchase or supply of any goods and materials or services if the value of such goods and materials or the cost of such services does not exceed rupees one thousand in the aggregate in any year.

#### ROTATION & APPOINTMENT OF DIRECTORS

Directors may be Directors of Companies promoted by the Company

159. A Director may be or become a Director of any 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.

Rotation of Directors

160. Not less than two-thirds of the total number of Directors shall (a) be persons whose period of the office is liable to determination by retirement of Directors by rotation and (b) save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.

Retirement of Directors

161. Subject to the provisions of Section 256 of the Act and Articles 133, 134, to 140 at every annual general meeting of the Company one-third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or a multiple of three the number nearest to one-third, shall retire from office. The Debenture Directors, Nominee Directors, Special Directors, or Managing Directors or whole time Director if any, shall not be subject to retirement under this Article and shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.

162. Subject to Section 256(2) of the Act, the Directors to retire by rotation under Article 161 at every annual general meeting shall be those who have been longest in office since their last appointment, but as between those who become directors on the same day, those who are to retire shall, in default of and subject to any agreement amongst themselves, be determined by lot.
163. A retiring Director shall be eligible for re-election.
164. Subject to Sections 258, 259 and 284 of the Act, the Company at the general meeting at which a Director retires in the manner aforesaid may fill up the vacancy by appointing the retiring director or some other person thereto.
165. a) If the place of 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 that meeting or the previous meeting a resolution for the re-appointment 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 of Directors, expressed his unwillingness to be so re-appointed;
  - iii) he is not qualified or is disqualified for appointment;
  - iv) a resolution, whether special or ordinary, is required for his appointment or re-appointment in 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.
166. Subject to the provisions of Section 252, 255, and 259 of the Act, the Company may, by ordinary resolution, from time to time, increase or reduce the number of Directors and may prescribe or alter qualifications.
167. 1) No motion at any general meeting of the Company shall be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made, has been first agreed to by the meeting without any vote being given against it.
- 2) A resolution moved in contravention of clause (1) hereof shall be void, whether or not objection was taken at the time of its being so moved; provided where a resolution so moved is passed, no

Ascertainment of Directors retiring by rotation and filling of vacancies

Eligibility for re-election

Company to fill vacancies

Provisions in default of appointment

Company may increase or reduce the number of Directors or remove any Director

Appointment of Directors to be voted individually

provision for the automatic re-appointment of retiring Director in default of another appointment as hereinbefore provided shall apply.

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

Notice of Candidature for office of Director except in certain cases

168. 1) No person, not being a Retiring Director shall be eligible for election to the office of Director at any general meeting unless he or some other member intending to propose him has, at least 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 a Director or the intention of such member to propose him as a Director for office as the case may be alongwith a deposit of Five Hundred Rupees which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director.
- 2) The Company shall inform its members of the candidature of the person for the office of Director or the intention of a member to propose such person as candidate for that office by serving individual notices on the members not less than seven days before the meeting.

Provided also that it shall not be necessary for the Company to serve individual notices on the members not less than seven days before the meeting.

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

- 3) Every person (other than a 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 his consent in writing to act as a Director if appointed.
- 4) A person, other than -
- a) a Director re-appointed after retirement by rotation or immediately on the expiry of his term of office, or
  - b) an additional or alternate Director or a person filling a casual vacancy in the office of a Director under section 262 of the Act, 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.

169. 1) The Company shall keep at its registered office a Register containing the particulars of its Directors and other persons mentioned in Section 303 of the Act, and shall send to the Registrar a Return containing the particulars specified in such Register, and shall otherwise comply with the provisions of the said Section in all respects.
- Register of Directors etc. and notification of change to Registrar
- 2) The Company shall keep at the registered office a Register showing as respects each Director of the Company the number, description and amount of any shares in or debentures of the Company or any other body corporate being the Company's subsidiary or holding Company or a subsidiary of the Company's holding Company which are held by him or in trust for him or of which he has any right to become the holder whether on payment or not, as required by Section 307 of the Act. Such Register shall be kept open for inspection by any member or debenture holder of the Company as required by Section 307 (5) of the Act.
170. Every Director (including a person deemed to be a Director of the Company by virtue of the explanation to sub-section (1) of Section 303 of the Act), Managing Director, Manager or Secretary of the Company who is appointed to or relinquishes office of Director, Managing Director, Manager or Secretary of any other body corporate shall within thirty days of his appointment to, or as the case may be, relinquishment of such office, disclose to the Company the particulars relating to the office in the other body corporate which are required to be specified under sub-section (1) of Section 303 of the Act.
- Disclosure by Director of appointment to any other body corporate
171. 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. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the first meeting of the Board next after it is given.
- Disclosure by Directors of their holdings of shares and debentures of the Company

#### MANAGING DIRECTOR -WHOLE TIME DIRECTOR

172. Subject to the provisions of Section 269 and other applicable provisions of the Act and these Articles, the Directors shall have power to appoint or reappoint from time to time one or more of their body to be Managing Director or Managing Directors or whole time Director or whole time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.
- Board may appoint Managing Director(s) or whole time Director(s)
173. Subject to the provisions of the Act and these Articles, the Managing Director or the whole time Director shall not while he continues to hold that office, be subject to retirement by rotation under Article 161 but he shall be subject to the provisions of any contract between him and the Company, be subject to the same provisions as the resignation and
- What provisions they will be subject to

removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or whole time Director if he ceases to hold the office of Director from any cause provided that if at any time the number of Directors (including Managing Director or whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of Directors for the time being, then such of the managing Director or whole-time Director or two or more of them as the Directors may from time to time determine shall be liable to retirement by rotation in accordance with the Article 162 to the intent that the number of Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.

Remuneration of Managing or whole-time Director(s)

174. The remuneration of the Managing Director or whole time Director shall (subject to Section 309 to 311 and other applicable provisions of the Act and of these Articles and of any contract between him and the Company) be fixed by the Directors, from time to time and may be by way of fixed salary and/or perquisites or commission on profits of the Company or by participation in such profits, or by fee for each meeting of the Board or by and or all these modes or any other mode not expressly prohibited by the Act.

Powers and duties of Managing and or whole-time Director(s)

175. Subject to the superintendence, control and direction of the Board the day to day management of the Company shall be in the hands of the Managing Director(s) or whole-time Director(s) appointed under Article 172 with power to the Board to distribute such day to day management functions among such Director(s) in any manner as deemed fit by the Board and subject to the provisions of the Act and these Articles the Board may by resolution vest any such Managing Director or Managing Directors or whole time Director or whole time Directors such of the power hereby vested in the Board generally as it thinks fit and such powers may be made exercisable for such period or periods and upon such conditions and subject to such restrictions as it may determine and they may subject to the provisions of the Act and these Articles confer such powers either collaterally with or to the exclusion of or in substitution for all or any of the power of the Directors in that behalf and may from time to time revoke, withdraw, alter or vary all or any of such powers.

#### PROCEEDINGS OF THE BOARD OF DIRECTORS

Meeting of Directors

176. The Directors may meet together as a Board for the despatch of business from time to time, and unless the Central Government by virtue of the proviso to Section 285 of the Act otherwise directs, 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.

Notice of Meetings

177. 1) Notice of every meeting of the Board of Directors 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.

When meeting to be convened

- 2) A Director may at any time and the Secretary upon the request of a Director made at any time shall convene a meeting of the Board of Directors by giving a notice in writing to every Director for the time being in India and at his usual address in India to every other

Director. Notice may be given by telex or telegram to any Director who is not in India.

178. a) Subject to Section 287 of the Act the quorum for a meeting of the Board of Directors 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 the interested Directors at any meeting exceeds or is equal to two-third of the total strength, 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 quorum during such time.

Quorum

- b) For the purpose of clause (a)

- i) "Total strength" of the Board of Directors of the Company shall be determined in pursuance of the Act, after deducting therefrom number of the Directors, if any, whose places may be vacant at the time and
- ii) "Interested Directors" means any Director whose presence cannot by reason of Article 157 hereof or any other provisions in the Act count for the purpose of forming a quorum at a meeting of the Board, at the time of the discussion or vote on any matter.

179. If a meeting of the Board could not be held for want of quorum, then the meeting shall automatically 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.

Procedure when meeting adjourned for want of quorum

180. The Directors from among their number may elect a Chairman of the Board of Directors. The Chairman shall preside at all meetings. If no such Chairman or Vice-chairman is elected, or if at any meeting, the Chairman as well as the Vice-Chairman are not present at the time appointed for holding the same, the Directors present shall choose one of their number to be Chairman of such meeting.

Chairman

181. Subject to provisions of Section 316, 372 (5) and 386 (2) of the Act, questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of an equality of votes, the Chairman shall have second or casting vote.

Questions at Board meeting how decided

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

Powers of Board Meetings

183. The Board of Directors may, subject to the provisions of Section 292 and other relevant provisions of the Act and of these Articles, appoint committees of the Board, and delegate any of the powers other than the powers to make calls and to issue debentures to such committee or committees and may from time to time, revoke and discharge any such

Directors may appoint committees

committees of the Board either wholly or in part and either as to the persons or purposes, but every committee of the Board so formed shall, in exercise of the powers so delegated conform to any regulation that may from time to time, be imposed on it by the Board of Directors. All acts done by any such committee of the Board in conformity with such regulations and in 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 the Committee  
how to be governed.

184. The meetings 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 meetings and proceedings of the Directors, so far as the same are applicable thereto and are not superceded by any regulations made by the Directors under the last preceding Article.

Circular resolution

185. 1) A resolution passed by circular without a meeting of the Board or a Committee of the Board appointed under Article 183 shall, subject to the provisions of sub-clause (2) hereof and the Act, be as valid and effectual as the resolution duly passed at meeting of the Directors or of a Committee duly called and held.

2) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation, if the resolution has been circulated in draft together with 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 addresses in India and has been approved by such of the Directors or members of the Committee as are in India or by a majority of such of them as are entitled to vote on the resolution.

Acts of Board or  
Committee valid  
notwithstanding defect in  
appointment

186. All acts, done by any meeting of the Board or by a Committee of the Board or by any person acting as a Director shall, notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of one or more of such Directors or any person acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed and was qualified to be a Director.

Provided 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.

#### POWERS OF THE BOARD

Powers of Director

187. The business of the Company shall be managed by the Board who 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 regulation (being not inconsistent with the aforesaid regulations or provisions) as may be prescribed by the

Certain powers to be exercised by the Board only at meetings

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

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

Provided that the Board may, by resolution passed at a meeting, delegate to any Committee of Directors, Managing Director or any other principal officer of the Company, or in case of a branch office of the Company a principal officer of the branch office the powers specified in (c), (d) and (e) of this clause to the extent specified below :

- 2) Every resolution delegating the power referred to in sub-clause (1) (c) shall specify the total amount, outstanding at any one time, upto which moneys may be borrowed by the delegate.
- 3) Every resolution delegating the power referred to in sub-clause (1) (d), shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made, by the delegate;
- 4) Every resolution delegating the power referred to in sub-clause (1) (e) shall specify the total amount upto which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.
- 5) Nothing in this Article contained shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on exercise by the Board of any of the powers referred to in sub-clause (a), (b), (c), (d) and (e) of clause (1) above.

Specific powers of Directors

189. A) Subject to the restrictions contained in the Act and in these Articles, the Directors shall have power to do all acts and things which they shall consider proper or advantageous for accomplishing the objects, or carrying on the business of the Company and in particular, but without derogating from the generality of the foregoing powers or without prejudice to other powers conferred by these Articles, the Directors shall have the following powers, viz :

To promote companies

1. To pay all or any of the costs, charges and expenses of or incidental to the promotion, incorporation and establishment of any other Company promoted by the Company and pay commissions and brokerages in respect of the placing of any of the shares of any other

Company in general meeting but no regulations made by the Company in general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made, PROVIDED that the Board shall not, except with the consent of the Company in general meeting;

- a) sell, lease or otherwise dispose of the whole or substantially the whole, of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking.
- b) remit, or give time for the payment of any debt due by a Director.
- c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition of any such undertaking as is referred to in clause (a), or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time;
- d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose; 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 twentyfive thousand rupees or five per cent of its average net profits as determined in accordance with the provisions of Sections 349 and 350 of the Act during the three financial years immediately preceding, whichever is greater;
  - i) Provided that in respect of the matter referred to in clauses (d) or (e), such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) or as the case may be, total amount which may be contributed to charitable or other fund in any financial year under clause (e);
  - ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term, cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.
  - iii) Provided that the Company in general meeting or the Board shall not contribute any amount to any political party or for any political purpose to any individual or body so long as it is prohibited by law.

Company promoted or formed by the Company.

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| <p>2. Subject to Sections 292, 297 and 360 of the Act, to purchase, take on lease for any term or terms of years, exchange or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire, at or for such price, consideration, rent or compensation and generally subject to such terms and conditions as the Directors may think fit, and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p>  | <p>To purchase property and rights</p>                                 |
| <p>3. At their discretion and subject to the provisions of the Act, to pay for any property, assets, rights or privileges acquired by or services rendered to the Company, either wholly or partly, in cash, or in shares, bonds, debentures, mortgages or other securities of the Company or in such other manner as the Directors shall think fit. Any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, mortgages or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.</p> | <p>To pay for property and assets in cash, shares, debentures etc.</p> |
| <p>4. Subject to the provisions of the Act, to purchase or to take on lease for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, or elsewhere at such price, consideration, rent or compensation and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition proceedings, to accept such title as the Directors may believe or may be advised to be reasonably satisfactory.</p>  | <p>To purchase factories, lands, etc.</p>                              |
| <p>5. To erect and construct, on Company's land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same.</p>   | <p>To erect and/or to improve</p>                                      |
| <p>6. To let or lease all or any part of the property of the Company for such rent and subject to such conditions as may be thought advisable; to sell or exchange for such price or consideration and on such terms and conditions as may be deemed fit, the whole or part of the land, buildings and other property of the Company which may not be required for the immediate purpose of the Company; to mortgage the whole or any portion of the property of the Company for the purpose of the Company, to sell all or any portion of the machinery or stores belonging to the Company.</p>   | <p>To sell, mortgage, let, lease and exchange properties</p>           |
| <p>7. To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper, all or any part of the buildings, machinery, goods, stores, produce and other movable and immovable property and assets of the Company either separately or conjointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of insurance effected in pursuance of this power.</p>   | <p>To insure Company's property &amp; assets</p>                       |

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| To refer to arbitration  | 26. To refer any claims or demands by or against any Company or any differences to arbitration and observe and perform any awards made thereon.   |
| To compromise suits, etc.                                      | 27. To compromise and release or forgo any action, suit, right or claim on behalf of the Company in respect of any matter in which the Company may be interested.   |
| To allow property to remain with Director, etc.                | 28. To allow any of the property of the Company to remain with or be vested in any Director, Officer or agent of the Company without being liable for any loss or damage arising therefrom.   |
| To appoint officers, employees, etc.                           | 29. To appoint and at their discretion, discharge, remove or suspend such managers, secretaries, officers, assistants, supervisors, clerks, solicitors, consultants, brokers, agents and servants from permanent, temporary or special services as they may from time to time think fit and to invest them with such or special authority as they may think expedient, and to determine their powers and duties and fix their salaries, emoluments or remunerations and to require from them security in such instances, and for such amount, as they may think fit. And also without prejudice as aforesaid from time to time, to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit. |
| To pay special remuneration to Directors                       | 30. To award to any Director such special remuneration as is permissible under the Act and these Articles.  |
| To remunerate persons by way of bonus or commission on profits | 31. To distribute by way of bonus amongst the employees of the Company including a Director, a share in the profits of the Company, and to give to any person employed by the Company including a Director, a commission on the profits of any particular business or transaction or a share in the general profits of the Company and to charge such bonus, commission or share of profits as part of the working expenses of the Company.   |
| To ratify unauthorised acts                                    | 32. To ratify an act or thing executed or done by any disqualified officer of the Company, or any improperly constituted Board or Committee or any unauthorised person purporting to act on their behalf, or on behalf of the Company, and on such act or thing being so ratified, the same shall have the same force and effect as if such act or thing had been originally executed or done by the Directors properly appointed and acting in due form.   |
| To make, vary and repeal bye-laws                              | 33. From time to time to make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants.   |
| To make contributions  | 34. Subject to the provisions of Sections 293 and 293A of the Act and Article 172 of these presents, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national, educational, public, or any other institutions, objects or purposes or for any exhibition.   |
| To provide for welfare of                                      | 35. To provide for the welfare of the Directors or ex-Directors or the  |

- employees or ex-employees of the Company and the wives, widows and families of the dependents or connections of such persons irrespective of whether they have or have not a legal claim on the Company, by building or contributing to the building of houses, dwellings or quarters, or by grants of money, pensions, gratuities, allowances, bonuses or other payments or by creating and maintaining and from time to time subscribing or contributing any sum or sums of money out of the funds of the Company to any provident, superannuation, pension, or gratuity fund or 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 of Directors shall think fit.
- Directors, employees, etc.
36. To pay the commission and brokerage referred to in Articles 31 and 32 respectively.
- To pay commission etc.
37. Subject to Section 292 of the Act, from time to time and at any time to delegate to any person or committee any of the powers, authorities, discretions for the time being vested in the Board of Directors other than their power to make calls or loans or borrow moneys and to authorise any such person or members for the time being of any such committee or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and any such appointment or delegation may be made on such terms and subject to such conditions as the Board of Directors may think fit and the Board of Directors may at any time remove any persons so appointed, and may annul or vary any such delegation.
- To delegate their powers
38. To exercise and carry into effect any or all of the objects and powers mentioned or referred to in the Memorandum of Association.
- To carry out objects of the Company
39. Any branch or kind of business which by the Memorandum of Association or these Articles is either expressly or by implication authorised to be undertaken by the Company, may be undertaken by the Board at such time or times as they shall think fit and further may be suffered by them to be in abeyance (whether such branch or kind of business may have been actually commenced or not) so long as the Board may deem it expedient not to commence or proceed with such branch or kind of business.
- Option in commencement of any branch of business
189. (B) The Directors may at any time, and from time to time by power of attorney under the seal of the Company, 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 Directors under these presents and excluding the power to make calls or to issue debentures 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 of Directors may from time to time think fit; and any such appointment may, if the Board of Directors think fit, be made in favour of the members or any of the members of any local Board established as aforesaid, or in favour of any Company or of the members, directors, nominees, or
- Power of Attorney

managers of any Company or firm or otherwise in favour of any fluctuating body of persons, whether nominated directly or indirectly by the Board of Directors and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys as the Board of Directors may think fit and may also contain powers authorising any such delegates or attorneys to subdelegate all or any of the powers, authorities and discretions vested in them.

Certain powers of the Board

190. 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 last preceding Article it is hereby declared that the Directors shall have the following powers that is to say, power -

1. to pay the costs, charges and expenses preliminary and incidental to the formation, promotion, establishment and registration of the Company
2. to pay and charge the capital account of the Company any commission or interest, lawfully, payable thereout under the provisions of Sections 76 and 208 of the Act;
3. subject to Section 202 and 297 of the Act to purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition accept such title as the Directors may believe or may be advised to be reasonably satisfactory;
4. at their discretion and subject to the provisions of the Act to pay for any property rights or privileges 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 up 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 specifically 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, so 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, or 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 such trust, and to provide for the remuneration of such trustee or trustees;

8. to institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its officer, or otherwise concerning the affairs of the Company, and also to compound and allow time for payment on satisfaction of any debts due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian Law or according to foreign law and either in India or abroad and observe and perform or challenge any award made therein;
9. to act on behalf of the Company in all matters relating to bankrupts and insolvents;
10. to make and give receipts, release and other discharge for moneys payable to the Company and for the claims and demands of the Company;
11. subject to the provisions of Sections 292, 293 (1), 295, 370, 372 and 373 of the Act to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such security (not being the shares of this Company) or without security and in such manner as 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 or be about to incur any personal liability whether as principal or surety, for the benefit of the Company, such mortgage of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;
13. to determine from time to time who shall be entitled to sign, on Company's behalf, bills, 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 a part of 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 wives, widows, and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwellings, or chawls or by grants of money, pensions, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing to provident and other associations, institutions, funds, or trusts and by providing or subscribing or contributing towards places of instructions and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit, and subject to the provisions of the Section 293 (1) (e)

of the Act to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or objects which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of public and general utility or otherwise subject to the provision of Section 205 of the Act;

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 the depreciation fund, or to 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, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purposes referred to in the preceding clause) as the Board may, in their absolute discretion think conducive to the interest of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as required to be invested, upon such investments (other than share of this Company) as they may think fit, and from time to time to deal with and vary such investments, and dispose of and apply and expand 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 moneys of the Company might rightly be applied or expended; and to divide the reserve fund into such special funds as the Board may think fit, with full power to transfer the whole or any portion of a reserve fund or division of a reserve fund to another reserve fund and/or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds including the depreciation fund, in the business of the Company or in purchase or repayment of debentures or debenture stock and that without being bound to keep the same separate from the other assets and without being bound to pay interest on the same, with power however to the Board at their discretion to pay or allow to the credit of such funds interest at such rate as the Board may think proper, not exceeding nine per cent per annum;
17. to appoint, and at their discretion remove or suspend such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants from permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties, and to fix their salaries, emoluments or remuneration, and to require security in such instances and to such amounts as they may think fit, and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit; and the provision contained in the next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause;

18. to comply with the requirement of any local law which in their opinion it shall in the interest 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 to delegate to any persons 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 member for the time being of any such Local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and such appointment or delegation may be made on such terms subject to such conditions as the Board may think fit, and the Board may at any time remove any person so appointed, and may annul or vary any such delegation;
21. at any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or persons to be the Attorney or Attorneys of the Company, for such purposes and with such powers, authorities and 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 such appointments may (if the Board thinks fit) be made in favour of the members or any of the members of any local board established as aforesaid or in favour of any Company or the 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 Attorneys as the Board may think fit, and may contain powers enabling any of such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them;
22. subject to Sections 294, 294A, 297 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company to enter into all such 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 bye-laws for the regulation of the business of the company, its officers and servants.

## MINUTES

191. 1) The Company shall cause minutes of all proceedings of general meetings and of all proceedings of every meeting of the Board of

Minutes to be considered  
evidence

Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned entries thereof in books kept for that purpose with their pages consecutively numbered.

- 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.
  - a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting; and
  - b) in the case of minutes of proceedings of the general meeting, by the Chairman of the said meeting within 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 of the meetings aforesaid shall be included in the minutes of the meeting.
- 6) In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall contain.
  - a) the names of the Directors present at the meeting;
  - b) in the case of each resolution at the meeting the names of the Directors if any, dissenting from or not concurring in the resolution.
- 7) Nothing contained in clauses (1) to (6) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting -
  - a) is or could reasonably be regarded as defamatory of any person;
  - b) is irrelevant or immaterial to the proceedings; or
  - c) is detrimental to the interests 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.

Minutes to be evidence of the proceedings

192. The minutes of meeting kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.

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

Presumptions to be drawn where minutes duly drawn and signed

194. 1) The books containing the minutes of the proceedings of any general meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 196 of the Act be determined by the Company in general meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.

Inspections of Minutes Books of General Meetings

2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of thirty-seven paise for every hundred words or fractional part thereof required to be copied.

195. No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 193 of the Act to be contained in the minutes of the proceedings of such meeting.

Publication of Report of proceedings of General Meeting

#### MANAGEMENT

196. The Company shall not appoint or employ at the same time more than one of the following categories of managerial personnel, namely -

Prohibition of simultaneous appointment of different categories of managerial personnel

- a) Managing Director
- b) Manager

#### THE SECRETARY

197. The Directors may from time to time appoint, and at their discretion, remove any individual possessing the qualifications prescribed under the Act (hereinafter called "the Secretary") to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company.

Secretary

#### THE SEAL

198. 1) The Board of Directors shall provide a Common Seal for the purpose of the Company and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal for the time being, under such regulations as the Board may prescribe;

The seal, its custody and use

- 2) The Seal shall not be affixed to any instrument except by the authority of the Board of Directors or a Committee of the Board previously given and in the presence of at least one Director of the Company, and the Secretary of the Company or such other person the Board may appoint in that behalf who shall sign every instrument to which the Seal is affixed. Provided that the certificates of shares or debentures shall be sealed in the manner and in conformity with the provisions of the Companies (Issue of Share Certificates) Rules, 1960, and their statutory modifications for the time being in force.

#### DIVIDEND WARRANTS

Division of profits

199. 1) Subject to the rights of persons, if any entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.
- 2) No amount paid or credited as paid on the share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- 3) 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.

The Company in general meeting may declare dividends

200. The Company in general meeting may declare dividends, to be paid to members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.

Dividend out of profits only

201. 1) No dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in accordance with the provisions of sub-clause (2) or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both or out of the moneys provided by the Central Government or State Government for the payment of dividend in pursuance of guarantee given by the Government and except after the transfer to the reserves of the Company of such percentage out of the profits for that year not exceeding ten percent as may be prescribed or voluntarily such higher percentage in accordance with the rules as may be made by the Central Government in that behalf, PROVIDED HOWEVER whether owing to inadequacy or absence of profits in any year, the Company proposes to declare out of the accumulated profits earned by the Company in previous year and transferred by it to the reserves, such

declaration of dividend shall not be made except in accordance with such rules as may be made by the Central Government in this behalf, and whether any such declaration is not in accordance with such rules, such declaration shall not be made except with the previous approval of the Central Government.

- 2) The depreciation shall be provided either -
- a) to the extent specified in Section 350 of the Act, or
  - b) in respect of each item of depreciable asset, for such an amount as is arrived at by dividing 95 per cent of the original cost thereof to the Company by the specified period in respect of such assets, or
  - c) on any other basis approved by the Central Government which has the effect of writing off by way of depreciation 95 per cent of the original cost to the Company of its such depreciable asset on the expiry of the specified period, or
  - d) as regards any other depreciable assets for which no rate of depreciation has been laid down by the Indian Income-tax Act, 1961 or the Rules made thereunder on such basis as may be approved by the Central Government by any general order published in the Official Gazette or by special order in the case of the Company.

PROVIDED that where depreciation is provided for in the manner laid down in clause (b) or clause (c) then in the event of depreciated assets being sold, discarded, demolished or destroyed, the written down value thereof at the end of the financial year in which the asset is sold, discarded, demolished or destroyed shall be written off in accordance with the proviso to Section 350 of the Act.

- 3) No dividend shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by members of the Company.
- 4) Nothing in this Article shall be deemed to affect in any manner the operation of Section 208 of the Act.
- 5) For the purposes of this Article 'specified period' in respect of any depreciable asset shall mean the number of years at the end of which at least 95 per cent of the original cost of that asset to the Company will have been provided for by way of depreciation, if depreciation were to be calculated in accordance with the provisions of Section 350 of the Act.

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

What is to be deemed net profits

203. The Board of Directors may from time to time, pay to the members such

Interim Dividend

- interim dividends as in their judgement the position of the Company justifies.
- Debits may be deducted 204. The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
- Capital paid up in advance at interest not to earn dividend 205. Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right, to dividend or to participate in profits.
- Dividends in proportion to amount paid up 206. 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 dividends as from a particular date such share shall rank for dividend accordingly.
- Retention of Dividends until completion of transfer under Article 72 207. The Board of Directors may retain the dividend payable upon shares in respect of which any person under Article 72 has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.
- No member to receive dividend whilst indebted to the Company and the Company's right of reimbursement thereof 208. No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend to any member all such sums of money so due from him to the Company.
- Effect of transfer of shares 209. A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.
- Transfer not registered 209A. Where any instrument of transfer of shares has been delivered to the Company for registration and the transfer of such shares has not been registered by the Company, it shall :
- a) transfer the dividend in relation to such shares to the special account referred to in Section 205A of the Act unless the Company is authorised by the registered holder of such shares in writing to pay such dividend to the transferee specified in such instrument of transfer; and
  - b) Keep in abeyance in relation to such shares any offer of rights shares under clause (a) of sub-section (1) of Section 81 and any issue of fully paid up bonus shares in pursuance of sub-section (3) of Section 205 of the Act.
- Dividend to joint holders 210. Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.
- Dividend how remitted 211. The dividend payable in cash may be paid by cheque or warrant sent through post direct to registered address of the share-holder entitled to

the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders which is first named on the register of members or to such person and to such address as the holder or the joint holder may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission or for any dividend lost, to the member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.

212. Notice of the Declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided.

Notice of dividend

213. The Company shall pay dividend or send the warrant in respect thereof to the share holder entitled to the payment of dividend, within forty two days from the date of the declaration unless

Dividend to be paid within forty-two days

1. a) where the dividend could not be paid by reason of the operation of any law;
- b) where a share holder has given directions regarding the payment of the dividend and those directions cannot be complied with;
- c) where there is a dispute regarding the right to receive the dividend;
- d) where the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder; or
- e) where for any other reason, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company.
2. a) where the dividend has been declared but not paid but the warrant in respect thereof has not been posted, within 42 days from the date of the declaration to any shareholder entitled to the payment thereof, the Company shall within 7 days from the date of expiry of the said period of 42 days transfer the total amount of dividend, which remains unpaid or in relation to which no dividend warrant has been posted within the said period of 42 days, to a special account to be opened by the Company in that behalf in any Scheduled Bank to be called 'Unpaid Dividend Account of Kalyani Forge Limited.'
- b) any money transferred to the Unpaid Dividend Account of the Company in pursuance of sub-clause (1) hereof which remains unpaid or unclaimed for a period of three years from the date of such transfer, shall be transferred by the Company to the General Revenue Account of the Central Government;
- c) the Company shall when making any transfer as per sub-clause (b) hereof to the General Revenue Account of the Central Government any unpaid or unclaimed dividend, furnish to such

officer as the Central Government may appoint in this behalf a Statement in the prescribed form setting forth in respect of all sums included in such transfer, the nature of the sums, the names and last known addresses of the persons entitled to receive the sum, the amount to which each person is entitled and the nature of particulars as may be prescribed.

No interest on dividends 214. No unpaid dividend shall bear interest as against the Company nor forfeited till the claim thereto becomes barred by law.

Dividend and call together 215. Any general meeting declaring a dividend may on the recommendations of the Directors make the call on the members of such amount as the meeting fixes but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and members, be set off against the calls.

#### CAPITALISATION

Capitalisation 216. 1) The Company in General Meeting may, upon the recommendation of the Board, resolve;

a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts, or to the credit of the Profit and Loss account or otherwise available for distribution; and

b) that such sum be accordingly set free for distribution in the manner specified in Clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (3), either in or towards:

i) Paying up any amount for the time being unpaid on any shares held by such members respectively;

ii) paying up in full unissued shares of the Company to be allocated and distributed or credited as fully paid up, to and amongst such members in the proportions aforesaid; or

iii) partly in the way specified in sub-clause (i) and partly as specified in sub-clause (ii).

3) A share Premium Account and a Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares.

4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.

Fractional Certificates 217. 1) Whenever such a resolution as aforesaid shall have been passed, the Board shall;

transactions effected at the branch are kept at that office and proper summarised returns made upto date at intervals of not more than three months are sent by the branch office to the Company at its registered office or the other place referred to in sub-clause (1)

- 3) The books of accounts and other books and papers shall be open to inspection by any Director during business hours.
- 4) The books of accounts of the Company relating to the period of not less than 8 years immediately preceding the current year together with vouchers relating to any entry in such books of accounts shall be preserved in good order, provided that till the company completed eight years after its incorporation the books of accounts for the entire period preceding the current year together with vouchers relating to any entry in such books of account shall be so preserved.

**Inspection by members**

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

**Statements of Accounts to be furnished to general meeting**

220. The Board of Directors shall in accordance with Section 210, 212 and 217 of the Act, cause to be prepared and laid before each annual general meeting a Profit and Loss Account for the financial year of the Company and a Balance Sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.

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

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

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

222. 1) Every Balance Sheet and every Profit and Loss Account of the Company shall be signed on behalf of the directors by Manager or Secretary, if any, and by not less than two Directors of the Company one of whom shall be a Managing Director where there is one PROVIDED that if there is only one Director present in India at the time, the Balance Sheet and the Profit and loss Account shall be

- a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares, if any and
  - b) generally do all acts and things required to give effect thereto
- 2) The Board shall have full power :
- a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in the case of share becoming distributable in fractions; and also
  - b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised of the amounts or any part of the amounts remaining unpaid on their existing shares.
- 3) Any agreement made under such authority shall be effective and binding on all such members.
- 4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificate as they think fit.

#### ACCOUNTS

218. 1) The Company shall keep at its registered office proper books of accounts as would give a true and fair view of the state of affairs of the Company or its transaction with respect to :
- a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure take place;
  - b) all sales and purchases of goods by the Company; and
  - c) the assets and liabilities of the Company.

Books to be kept

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

- 2) Where the Company has a branch office, whether in or outside India, the Company shall be deemed to have complied with the provisions of clause (1) if proper books of accounts relating to the

signed by such Director but in such a case there shall be sub-joined to the Balance Sheet and the Profit and Loss Account a Statement signed by such Director explaining the reason for non-compliance with the aforesaid provision requiring the signatures of two Directors.

- 2) The Balance Sheet and the Profit and Loss Account shall be approved by the Directors before they are signed on their behalf and before they are submitted to the auditors for their report thereon.
  - 3) The Profit and Loss Account shall be annexed to Balance Sheet and Auditor's Report (including the Auditor's separate, special or supplementary report, if any) shall be attached thereto.
223. 1) There shall be attached to every Balance Sheet laid before the Company in general meeting a report by its Directors with respect to :
- Director's Report
- i) the state of the Company's affairs;
  - ii) the amounts, if any, which they propose to carry to any reserves in such Balance Sheet;
  - iii) the amount, if any, which they recommend should be paid by way of dividend; and
  - iv) the material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.
- 2) The Directors' Report shall, so far as is material for the appreciation of the state of the Company's affairs by its members and will not in the Directors opinion be harmful to the business of the Company or of any of its subsidiaries, if any, deal with any changes which have occurred during the financial year :
- a) in the nature of the Company's business;
  - b) in the Company's subsidiaries, if any, or in the nature of the business carried on by them; and
  - c) generally in the classes of business in which the Company has an interest.
- 3) a) The Directors, report shall also include a statement showing the name of every employee of the Company who -
- i) if employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than thirty six thousand rupees; or
  - ii) if employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which in the aggregate, was not less than three thousand rupees per month.

- b) The statement referred to in clause a) shall also indicate
- i) whether any such employee is a relative of any Director or Manager of the Company and if so, the name of such director; and
  - ii) Such other particulars as may be prescribed,

Explanation: "Remuneration" has the meaning assigned to Section 198 of the Companies Act, 1956.

- 4) The Directors shall give the fullest information and explanation in the report aforesaid, or in cases falling under proviso to Section 222 of the Act in an addendum to the report on every reservation, qualification or adverse remark contained in the Auditor's Report.
- 5) The Director's Report and any addendum thereto shall be signed by its Chairman if he is authorised in that behalf by the Directors and where he is not so authorised, shall be signed by such number of Directors as are required to sign the Balance Sheet and the Profit and Loss Account of the Company by virtue of clause (1) of the preceding Article.

Right of Members  
copies of Balance Sheet  
and Auditor's Report

224. 1) A copy of every Balance Sheet (including the Profit and Loss Account, the auditors' report and every other document required by law to be annexed or attached, as the case may be, to the Balance Sheet) which is to be laid before the company in general meeting shall not less than twenty one days before the date of the meeting be sent to every member of the company, to every trustee for the holders of any debentures issued by the company whether such member or trustee is or is not entitled to have notice/s of general meeting/s of the company sent to him and to all persons other than such members or trustees, being persons so entitled; provided that it shall not be necessary to send copies of the documents aforesaid:
- i) To a member, or to holder of debentures, of the company, who is not entitled to have notices of general meetings of the company sent to him and of whose address the company is unaware;
  - ii) To more than one of the joint-holders of any shares or debentures none of whom is entitled to have such notices sent to him;
  - iii) In the case of joint-holders of any shares or debentures some of whom are not entitled to have such notices sent to them, to those who are not so entitled;
  - iv) As long as the shares of the company are listed on a recognised stock exchange, and if the copies of documents aforesaid are made available for inspection at the registered office of the company during working hours for a period of twenty-one days before the date of the meeting, a statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the company may deem

fit, is sent to every member of the company and to every trustee for the holders of any debentures issued by the company not less than twenty-one days before the date of the meeting.

Provided that if the copies of the documents aforesaid are sent less than twenty-one days before the date of the meeting, they shall notwithstanding that fact, be deemed to have been duly sent, if it is agreed by all the members entitled to vote at the meeting.

- 2) Any member or holder of debentures, of the company and any person from whom the company has accepted a sum of money by way of deposit shall, on demand, be entitled to be furnished free of cost with a copy of the last Balance Sheet of the company and of every document required by law to be annexed or attached thereto, including the Profit and Loss Account and the Auditors' Report.
225. 1) The Company shall within thirty days from the date on which the Balance Sheet and Profit and Loss Account shall have been laid before the annual general meeting, file with the Registrar of Companies, three copies of the Balance Sheet and the Profit and Loss Account signed by the Managing Director, Manager or Secretary of the Company or if there be none of these, by a Director of the Company together with three copies of all documents which are required by the Act to be annexed or attached to such Balance Sheet or Profit and Loss Account.
- 2) If any annual general meeting of the Company before which a Balance Sheet is laid as aforesaid does not adopt the Balance Sheet, a statement of that fact and of the reason thereof shall be annexed to the Balance Sheet and the copies thereof required to be filed with the Registrar of Companies.

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

#### AUDIT

226. Once at least in every year the accounts of the Company shall be Balanced and audited and the correctness of the Profit and Loss Account and Balance Sheet ascertained by one or more Auditor or Auditors.
227. 1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Sections 224 to 229 of the Act.
- 2) The Company shall at each annual general meeting appoint an Auditor or Auditors to hold office from conclusion of that meeting until the conclusion of the next annual general meeting and shall within seven days of the appointment give intimation thereof to the Auditor so appointed unless he is a Retiring Auditor.
- 3) At any annual general meeting a Retiring Auditor, by whatsoever authority appointed, shall be re-appointed unless;
- a) he is not qualified for re-appointment,
  - b) he has given the Company notice in writing of his unwillingness to be re-appointed,

Accounts to be audited

Appointment of Auditors

c) a resolution has been passed at that meeting appointing somebody instead of him or providing expressly that he shall not be re-appointed,

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

4) Where at annual general meeting no Auditors are appointed or re-appointed, the Central Government may appoint a person to fill the vacancy.

5) The Company shall, within seven days of the Central Government's power under the sub-clause (4) becoming exercisable give notice of that fact to that Government.

6) The Directors may fill any casual vacancy in the office of Auditor, but while any such vacancy continues, the surviving or continuing Auditor or Auditors (if any) may act but where such vacancy is caused by the resignation of an Auditor, the vacancy shall only be filled by the Company in general meeting.

7) A person, other than a retiring Auditor, shall not be capable of being appointed at an annual general meeting unless special notice of a resolution for appointment of that person to the office of Auditor has been given by a member to the Company not less than fourteen days before the meeting in accordance with Section 190 of the Act and the Company shall send a copy of any such notice to retiring Auditor and shall give notice thereof to the members in accordance with Section 190 of the Act and all the other provisions of Section 225 of the Act shall apply in the matter. The provisions of this sub-clause shall also apply to a resolution that retiring Auditor shall not be re-appointed.

Qualification &  
disqualification of Auditors

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

Audit of Branch Offices

228. The Company shall comply with the provisions of Section 228 of the Act in relation to the audit of the accounts of branch offices of the Company.

Remuneration of Auditors

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

1) Every Auditor of the Company shall have a right of access at all time to the books and accounts and vouchers of the Company wherever kept and shall be entitled to require from the Directors and Officers of the Company such information and explanation as may be necessary for the performance of the duties of the Auditors.

2) The Auditors shall make a report to the members of the Company on the accounts examined by him and on every Balance Sheet and

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

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

The Auditors shall further make a report on the compliance of the Manufacturing and Other Companies (Auditors' Report) Order 1975.

3) The Auditors' report shall also state :

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

4) Where any of the matters referred to in sub-clause (a), (b), (c) and (d) hereof is answered in the negative or with a qualification, the Directors' Report shall state the reason for the same.

230. Every account when audited and approved by a general meeting shall be conclusive except as regards any error discovered therein within three months next after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected and thenceforth shall be conclusive.

Account when audited and approved to be conclusive except as to errors discovered within 3 months

230A. Every Account when audited and approved by a General Meeting shall be conclusive except as regards any matters in respect of which modifications may from time to time be considered necessary by the Board of Directors and approved by the Members at a General Meeting.

Power to amend Accounts

## DOCUMENTS AND NOTICES

Service of documents or notices on members by the Company

231. 1) A document or notice may be served by the Company on any member thereof either personally or by sending it by post to him at 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 documents or notice on him.
- 2) Where a document or notice is sent by Post;
- a) service thereof shall be deemed to be effected by properly addressing, prepaying and posting a letter containing the document or the notice provided that where a member has intimated to the Company in advance that documents should be sent to him under a certificate of posting or by registered Post with or without acknowledgment due and has deposited with the Company a sum sufficient to defray the expenses of doing so. Service of the documents or notice shall not be deemed to be effected unless it is sent in the manner intimated by the member, and
  - b) Such service shall be deemed to have been effected :
    - i) in the case of a notice of meeting at the expiration of forty-eight hours after the letter containing the same is posted; and
    - ii) in any other case, at the time at which the letter would be delivered in the ordinary course of Post;
- 3) A document or notice advertised in a newspaper circulating in the neighbourhood of the registered office of the Company shall be deemed to be duly served on the day on which the advertisement appears, on every member of the Company who has no registered address in India and has not supplied to the Company an address within India for the giving of notices to him.
- 4) A document or notice may be served by the Company on the joint-holders of a share by serving it on the joint-holder named first in the Register in respect of the share.
- 5) A document or notice may be served by the Company on the person entitled to a share in consequence of the death or insolvency of a member by sending it through the Post in a prepaid letter, addressed to them by title of representatives of the deceased, or assignees of the insolvent or by any like description, at the address, if any, in India supplied for the purpose by the person claiming to be so entitled, or until such an address has been so supplied, by serving the document or notice in any manner in which it might have been served if the death or insolvency had not occurred.
- 6) The signature to any document or notice to be given by the Company may be written or printed or lithographed.

To whom documents must be served or given

232. Document or notice 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. PROVIDED that when the notice of the meeting is given by advertising the same in newspaper circulating in the neighbourhood of the office of the Company under Article 94 a statement of material facts referred to in Article 95 need not be annexed to the notice, as is required by that Article, but it shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.

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

Members bound by documents or notices served or given to previous holders

234. A document may be served on the Company or an Officer thereof by sending it to the Company or Officer at the Registered Office of the Company by Post under Certificate of Posting or by Registered Post or by leaving it at its registered office.

Service of documents on Company

235. A document may be served on the Registrar of Companies by sending it to him at his office by Post under a Certificate of Posting or by Registered Post or by delivering it to or leaving it for him at his office.

Service of documents by Company on the Registrar of Companies

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

Authentication of documents and proceedings

#### REGISTERS AND DOCUMENTS

237. The Company shall keep and maintain Registers, Books and Documents as required by the Act or these Articles, including the following :

Registers and documents to be maintained by the Company

- 1) Register of Investments made by the Company but not held in its own name, as required by Section 49 (7) of the Act and shall keep it open for inspection by any member or debenture holder of the Company without charge.
- 2) Register of Mortgages and Charges as required by Section 143 of the Act and copies of instrument creating any charge requiring registration according to Section 125 of the Act and shall keep them open for inspection by any creditor or member of the Company without fee and for inspection by any person on payment of a fee of rupee one for each inspection.
- 3) Register and Index of Members as required by Section 150 and 151 of the Act and shall keep the same open for inspection of any member or debenture holder without fee and of other person on payment of a fee of rupee one for each inspection.
- 4) Register and Index of Debenture Holders under Section 152 of the Act and keep it open for inspection by any member or Debenture Holder without fee and by any other person on payment of Rupee one for each inspection.

- 5) Foreign Register, if so thought fit, as required by Section 157 of the Act and it shall be open for inspection and may be closed and extracts may be taken therefrom and copies thereof as may be required, in the manner, mutatis mutandis as is applicable to the Principal Register.
- 6) Register of Contracts, and Companies and firms in which Directors are interested as required by Section 301 of the Act and shall keep it open for inspection of any member free of charge.
- 7) Register of Directors and Secretary etc., as required by Section 303 of the Act and shall keep it open for inspection by any member of the Company without charge and of any other person on payment of a fee of rupee one for each inspection.
- 8) Register as to holdings by Directors of shares and/or debentures in the Company as required by Section 307 of the Act and shall keep it open for inspection by any member or debenture holder of the Company on any working day during the period beginning fourteen days before the date of the Company's annual general meeting and ending three days after the date of its conclusion.
- 9) Register of Investments made by the Company in shares and debentures of bodies Corporate as required by Section 372 of the Act.
- 10) Books recording minutes of all proceedings of general meetings and all proceedings at meetings of its Board of Directors or of Committees of the Board in accordance with the provisions of Section 193 of the Act.
- 11) Copies of Annual Returns prepared under Section 159 of the Act together with the copies of certificates and documents required to be annexed thereto under Section 161 of the Act.
- 12) Register of loans as required by Section 370 of the Act.

## Inspection of Registers

238. The Registers mentioned in clause 9 and 12 of the foregoing Article and the minutes of all proceedings of general meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company, as provided for in clause 3, of the said Article. Copies of entries in the Registers mentioned in the foregoing Article shall be furnished to the persons entitled to the same on payment of thirty-seven paise for every hundred words or fractional part thereof required to be copied. The Company shall give inspection of the above Register to the persons entitled to the same on such days and during such business hours as may consistently with the provisions of the Act in that behalf be determined by the Company in general meeting.

## WINDING UP

## Distribution of Assets.

239. If the Company shall be wound up, and the assets available for distribution among the members as such shall be insufficient to repay the whole of the paid up capital, such assets shall be distributed so that,

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

240. 1) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator may, with the sanction of a special resolution, divide amongst the contributories in specie or kind, any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories or any of them, as the Liquidator, with such sanction, shall think fit.
- 2) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories, (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined upon, any contributory who would be prejudiced thereby shall have a right to dissent any ancillary rights as if such determination were a special resolution passed pursuant to Section 494 of the Act.
- 3) In case any shares to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after the passing of the special resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall if practicable act accordingly.
241. A special resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to the provisions of the Act in like manner as aforesaid determine that any shares or other consideration receivable by the Liquidator be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said Section.

Distribution in specie or kind.

Right of shareholders in case of sales

#### INDEMNITY

242. Subject to provisions of Section 201 of the Act, every Director, or Officer, or servant of the Company or any person (whether an officer of the Company or not) employed by the Company as auditor, shall be indemnified by the Company against and it shall be the duty of the Directors out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred

Directors' and others' rights to indemnity

in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act, neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions against all liabilities incurred by him as such Director, Officer or Auditor or other Officer of the Company in defending any proceedings whether civil or criminal in which judgement is given in his favour, or in which he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted to him by the Court.

Director, Officer not responsible for acts of others

243. Subject to the provisions of Section 201 of the Act, no Director, Auditor or other Officer of the Company shall be liable for the acts, receipts, neglects, or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damages arising from insolvency or tortious act of any person, firm or Company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgement, omission, default or oversight on his part or for any other loss, damage, or misfortune whatever which shall happen in relation to the execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.

SECRETARY CLAUSE

Secrecy clause

244. 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 Director, before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions, in these presents contained.

No member to enter the premises of the Company without permission

245. No member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Directors or Managing Director or to require discovery of or any information respecting any detail of the Company's trading, or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process, or any other matter which may relate to the conduct of the business of the Company and which in the opinion of the Director, it would be inexpedient in the interest of the Company to disclose.

We, the several persons whose names are subscribed are desirous of being formed into a company in pursuance of these Articles of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names :

Names of the Subscribers	Address, Descriptions and occupations of Subscribers	Number of shares taken by each Subscriber	Signature of Witness with description and Occupation
Sd/ Urnkant Annappa Takale son of Anrappa Ramchandra Takale	240 F. Shaniwar Peth Karad 415 110 Industrialist	1-(one equity)	Sd/- Shripad Vyankatesh Bhalerao, son of Vyankatesh Bhalerao Jhala Co-operative Housing Society Building No. 3, PUNE-411029. Service
Sd/- Prabhakar Shankar Kalyani, son of Shankar Narayan Kalyani	F.No. 529/3+4 Shaniwar Peth Karad 415110 Industrialist	1-(one equity)	Sd/- Shripad Vyankatesh Bhalerao, son of Vyankatesh Bhalerao Jhala Co-operative Housing Society Building No. 3, PUNE-411029 Service
		Total-2 (two equity)	

Dated the 15th day of January 1979

We, the several persons whose names are subscribed are desirous of being formed into a company in pursuance of these Articles of Association and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names :

Names of the Subscribers	Address, Descriptions and occupations of Subscribers	Number of shares taken by each Subscriber	Signature of Witness with description and Occupation
Sd/- Umakant Annappa Takale son of Annappa Ramchandra Takale	240 F. Shaniwar Peth Karad 415 110 Industrialist	1-(one equity)	Sd/- Shripad Vyankatesh Bhalerao, son of Vyankatesh Bhalerao Jhala Co-operative Housing Society Building No. 3, PUNE-411029. Service
Sd/- Prabhakar Shankar Kalyani, son of Shankar Narayan Kalyani	F.No. 529/3+4 Shaniwar Peth Karad 415110 Industrialist	1-(one equity)	Sd/- Shripad Vyankatesh Bhalerao, son of Vyankatesh Bhalerao Jhala Co-operative Housing Society Building No. 3, PUNE-411029 Service
		Total-2 (two equity)	

Dated the 15th day of January 1979